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BUDGET ESTIMATES

FOR THE

UNITED STATES DEPARTMENT OF AGRICULTURE

FOR THE FISCAL YEAR ENDING
SEPTEMBER 30, 1989



A SEPARATE FROM THE BUDGET OF
THE UNITED STATES GOVERNMENT

1989

PRODUCTION
CURRENT SECTOR RECORD

11 14 1989

BUDGET ESTIMATES

FOR THE

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A Separate from the Budget of the United States Government
1989



U.S. GOVERNMENT PRINTING OFFICE
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PART 6f

**FEDERAL PROGRAM BY AGENCY AND
ACCOUNT**

EXPLANATORY NOTE

This tabulation contains information on budget authority (BA), outlays (O), and subfunctional code number(s) for each appropriation and fund account. Budget authority amounts reflect transfers of budget authority between appropriations. All budget authority items are definite appropriations except where otherwise indicated.

Rescissions of unobligated balances of prior year authority are recorded as reductions to budget authority. In past budgets such rescissions were recorded as adjustments to unobligated balances.

This budget reflects the Administration's credit reform proposal. The effects of the proposal are identified in this tabulation by the footnote "W" to distinguish it from other proposed legislation items.

Congressional action in the appropriation process occasionally takes the form of a limitation on the use of a trust fund or other fund, or of an appropriation to liquidate contract authority. Amounts for such items, which do not affect budget authority, are included here in parentheses and identified in the stub column, but are not included in the totals.

THE FEDERAL PROGRAM BY AGENCY AND ACCOUNT 6f-25

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Funds Appropriated to the President—Con.				
Summary—Con.				
	908 BA			
	O	— 633,764	— 637,453	— 675,414
Total Federal funds	BA	12,191,440	11,265,083	11,841,646
	O	9,002,257	5,077,366	8,654,641
Trust funds:				
(As shown in detail above)	BA	9,324,343	7,631,300	6,853,300
	O	9,917,851	8,577,506	8,209,300
Deductions for offsetting receipts:				
Proprietary receipts from the public	151 BA			
	O	— 9,717	— 5,000	— 5,000
	155 BA			
	O	— 8,503,911	— 8,417,000	— 8,062,000
Total Trust funds	BA	810,715	— 790,700	— 1,213,700
	O	1,404,223	155,506	142,300
Total Funds Appropriated to the President	BA	13,002,155	10,474,383	10,627,946
	O	10,406,480	5,232,872	8,796,941

Department of Agriculture

Office of the Secretary

Federal funds

General and Special Funds:

Office of the Secretary	352			
Appropriation, current	BA	15,266	5,710	5,998
Outlays	O	4,314	5,246	5,983

Trust funds

Gifts and bequests	352			
Appropriation, permanent, indefinite	BA	50	50	50
Outlays	O	41	50	50

Departmental Administration

Federal funds

General and Special Funds:

Departmental administration	352			
Appropriation, current	BA	22,019	24,916	26,542
Outlays	O	21,706	23,436	26,371
Hazardous waste management	304			
Appropriation, current	BA	.....	2,000	10,000
Outlays	O	.....	1,000	6,000
Rental payments and building operations	352			
Appropriation, current	BA	67,011	69,777	78,836
Outlays	O	59,312	69,502	78,251
Advisory committees	352			
Appropriation, current	BA	1,408	1,308	2,294
Outlays	O	770	1,308	1,953

See footnotes at end of table.

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Department of Agriculture—Con.				
Departmental Administration—Con.				
Intragovernmental Funds:				
Working capital fund	352			
Appropriation, current.....	BA	5,708	5,708	6,000
Outlays	0	5,779	5,708	5,996
Total Federal funds Departmental Administration.	BA	96,146	103,709	123,672
	0	87,567	100,954	118,571
Office of Governmental and Public Affairs				
<i>Federal funds</i>				
General and Special Funds:				
Office of Governmental and Public Affairs	352			
Appropriation, current.....	BA	8,386	8,673	8,919
Outlays	0	7,728	8,574	8,867
Office of the Inspector General				
<i>Federal funds</i>				
General and Special Funds:				
Office of the Inspector General	352			
Appropriation, current.....	BA	45,416	48,795	51,442
Outlays	0	44,579	47,663	51,060
Office of the General Counsel				
<i>Federal funds</i>				
General and Special Funds:				
Office of the General Counsel	352			
Appropriation, current.....	BA	17,670	18,734	23,064
Outlays	0	15,864	18,703	23,018
Agricultural Research Service				
<i>Federal funds</i>				
General and Special Funds:				
Agricultural Research Service	352			
Appropriation, current.....	BA	518,237	540,684	560,957
Outlays	0	491,201	534,033	550,614
Buildings and facilities	352			
Appropriation, current.....	BA	1,000	57,815	11,000
Outlays	0	32,310	41,552	36,042
<i>Trust funds</i>				
Miscellaneous contributed funds	352			
Appropriation, permanent, indefinite	BA	3,039	5,000	5,000
Outlays	0	3,000	5,000	5,000
Total Federal funds Agricultural Research Service	BA	519,237	598,499	571,957
	0	523,511	575,585	586,656
Total Trust funds Agricultural Research Service...	BA	3,039	5,000	5,000
	0	3,000	5,000	5,000

See footnotes at end of table.

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Department of Agriculture—Con.				
Cooperative State Research Service				
<i>Federal funds</i>				
General and Special Funds:				
Cooperative State Research Service	352			
Appropriation, current.....	BA	376,673	303,654	257,489
Appropriation, permanent.....	BA	2,800	2,600	
Outlays.....	O	281,287	304,105	275,637
Total Cooperative State Research Service	BA	379,473	306,254	257,489
	O	281,287	304,105	275,637
Extension Service				
<i>Federal funds</i>				
General and Special Funds:				
Extension Service	352			
Appropriation, current.....	BA	338,972	357,963	299,542
Outlays.....	O	318,916	352,825	311,848
National Agricultural Library				
<i>Federal funds</i>				
General and Special Funds:				
National Agricultural Library	352			
Appropriation, current.....	BA	11,098	12,194	13,599
Outlays.....	O	8,771	11,834	13,095
National Agricultural Statistics Service				
<i>Federal funds</i>				
General and Special Funds:				
Salaries and expenses	352			
Appropriation, current.....	BA	57,889	61,176	64,086
Outlays.....	O	60,263	54,024	63,518
<i>Trust funds</i>				
Miscellaneous contributed funds	352			
Appropriation, permanent, indefinite	BA	153	150	150
Outlays.....	O	104	150	150
Economic Research Service				
<i>Federal funds</i>				
General and Special Funds:				
Salaries and expenses	352			
Appropriation, current.....	BA	44,977	48,186	49,771
Outlays.....	O	43,162	47,542	49,280
<i>Trust funds</i>				
Miscellaneous contributed funds	352			
Appropriation, permanent, indefinite	BA	53	200	200
Outlays.....	O	47	200	200

See footnotes at end of table.

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Department of Agriculture—Con.				
World Agricultural Outlook Board				
<i>Federal funds</i>				
General and Special Funds:				
World agricultural outlook board	352			
Appropriation, current.....	BA	1,644	1,730	1,906
Outlays	O	1,530	1,679	1,864
Foreign Agricultural Service				
<i>Federal funds</i>				
General and Special Funds:				
Foreign Agricultural Service	352			
Appropriation, current.....	BA	83,783	92,217	89,057
Outlays	O	78,122	87,841	89,352
Office of International Cooperation and Development				
<i>Federal funds</i>				
General and Special Funds:				
Salaries and expenses	352			
Appropriation, current.....	BA	5,149	5,295	3,972
Outlays	O	32,579	5,249	4,209
Scientific activities overseas (foreign currency program)	352			
Appropriation, current.....	BA	2,500	1,500	
Outlays	O	3,668	1,973	734
<i>Trust funds</i>				
Miscellaneous contributed funds	352			
Appropriation, permanent, indefinite	BA	2,664	5,188	5,188
Outlays	O	2,909	5,188	5,188
Total Federal funds Office of International Cooperation and Development	BA	7,649	6,795	3,972
	O	36,247	7,222	4,943
Total Trust funds Office of International Cooperation and Development	BA	2,664	5,188	5,188
	O	2,909	5,188	5,188
Foreign Assistance Programs				
<i>Federal funds</i>				
General and Special Funds:				
Expenses, Public Law 480, foreign assistance programs, Agriculture	151			
Appropriation, current.....	BA	1,083,071	1,059,596	1,023,200
				^w — 214,223
Outlays	O	969,938	1,154,634	1,081,750
				^w — 194,278
Total Expenses, Public Law 480, foreign assistance programs, Agriculture	BA	1,083,071	1,059,596	808,977
	O	969,938	1,154,634	887,472

See footnotes at end of table.

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Department of Agriculture—Con.				
Agricultural Stabilization and Conservation Service				
<i>Federal funds</i>				
General and Special Funds:				
Salaries and expenses	351			
Outlays.....	0	15,635	124	
Rural clean water program	304			
Appropriation, current.....	BA	— 6,000		
Outlays.....	0	6,481	6,278	5,734
Agricultural conservation program	302			
Appropriation, current.....	BA	176,935	176,935	
Outlays.....	0	157,511	259,139	122,000
Colorado river basin salinity control program	304			
Appropriation, current.....	BA	3,804	4,904	
Outlays.....	0	1,284	4,972	2,452
Conservation reserve program	302			
Appropriation, current.....	BA		1,085,760	1,864,000
Outlays.....	0		736,316	1,840,644
Water bank program	302			
Appropriation, current.....	BA	8,371	8,371	
Outlays.....	0	9,519	5,340	3,925
Emergency conservation program	453			
Appropriation, current.....	BA	10,000	1,000	
Outlays.....	0	4,657	8,295	2,878
Dairy indemnity program	351			
Appropriation, current.....	BA	648	95	
Outlays.....	0	8,234	95	
Forestry incentives program	302			
Appropriation, current.....	BA	11,891	11,891	
Outlays.....	0	9,083	14,036	8,341
Total Federal funds Agricultural Stabilization and Conservation Service.....	BA	205,649	1,288,956	1,864,000
	0	212,404	1,034,595	1,985,974
Federal Crop Insurance Corporation				
<i>Federal funds</i>				
General and Special Funds:				
Administrative and operating expenses	351			
Appropriation, current.....	BA	209,568	200,000	217,970
Outlays.....	0	176,288	201,675	210,525
Total Administrative and operating expenses.....	BA	209,568	200,000	217,970
	0	176,288	201,675	210,525

See footnotes at end of table.

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Department of Agriculture—Con.				
Federal Crop Insurance Corporation—Con.				
Public Enterprise Funds:				
Federal Crop Insurance Corporation fund	351			
Appropriation, current.....	BA	135,743	228,523	112,000
Outlays.....	O	277,578	289,650	330,250
Total Federal Crop Insurance Corporation fund....	BA	135,743	228,523	112,000
	O	277,578	289,650	330,250
Total Federal funds Federal Crop Insurance Corporation	BA	345,311	428,523	329,970
	O	453,866	491,325	540,775
Commodity Credit Corporation				
<i>Federal funds</i>				
Public Enterprise Funds:				
Commodity Credit Corporation Fund	351			
Appropriation, permanent, indefinite	BA	122,689	152,130	124,925
Authority to borrow, current.....	BA			^J 6,524
				^W 11,284
Authority to borrow, permanent	BA	19,941,886	16,142,121	15,533,425
Liquidation of contract authority, current		(2,551,777)	(7,333,612)	
Outlays.....	O	22,407,870	17,657,320	17,132,979
				^J 6,524
				^W 11,284
Limitation on administrative expenses and direct loans		(6,953)	(7,157)	(7,268)
Limitation on guaranteed loan commitments.....				^J (— 2,000,000)
Total Commodity Credit Corporation Fund.....	BA	20,064,575	16,294,251	15,676,158
	O	22,407,870	17,657,320	17,150,787
General and Special Funds:				
Temporary emergency food assistance program	351			
Appropriation, current.....	BA	50,000	50,000	
Outlays.....	O	46,496	49,985	15,800
Commodity Credit Corporation export loan guarantee subsidies	351			
Appropriation, current.....	BA			
Authority to borrow, current.....	BA			^W 554,000
Outlays.....	O			^W 554,000
Total Commodity Credit Corporation export loan guarantee subsidies	BA			554,000
	O			554,000
Total Federal funds Commodity Credit Corporation.....	BA	20,114,575	16,344,251	16,230,158
	O	22,454,366	17,707,305	17,720,587

See footnotes at end of table.

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Department of Agriculture—Con.				
Office of Rural Development Policy				
<i>Federal funds</i>				
General and Special Funds:				
Salaries and expenses	452			
Outlays.....	0	96	25	
Rural Electrification Administration				
<i>Federal funds</i>				
General and Special Funds:				
Salaries and expenses	271			
Appropriation, current.....	BA	29,447	30,868	22,137
Outlays.....	0	26,328	31,692	22,996
Reimbursement to the Rural electrification and tele- phone revolving fund for interest subsidies and losses	271			
Appropriation, current.....	BA	20,000	327,675	
Outlays.....	0	20,000	327,675	
Purchase of Rural Telephone Bank capital stock	452			
Appropriation, current.....	BA	28,710	28,710	
Outlays.....	0	28,710	28,710	
Rural electrification and telephone revolving fund loan subsidies	271			
Appropriation, current.....	BA			^w 80,680
Outlays.....	0			^w 10,420
Limitation on guaranteed loan commitments.....				^w (1,318,955)
Rural telephone bank loan subsidies	452			
Appropriation, current.....	BA			^w 26,920
Outlays.....	0			^w 1,615
Limitation on direct loan obligations.....				^w (177,045)
Public Enterprise Funds:				
Rural communication development fund	452			
Appropriation, current.....	BA	1,591	1,309	1,447
Outlays.....	0	772	1,309	1,447
Rural electrification and telephone revolving fund	271			
Authority to borrow, permanent	BA	244,720	1,083,000	
Outlays.....	0	— 251,954	— 1,357,375	782,400
				^j — 2,092,630
Limitation on direct loan obligations.....		(1,032,887)	(1,794,375)	
Limitation on guaranteed loan commitments.....				^j (1,318,955)
				^w (— 1,318,955)
Total Rural electrification and telephone revolv- ing fund.....	BA 0	244,720 — 251,954	1,083,000 — 1,357,375	 — 1,310,230

See footnotes at end of table.

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Department of Agriculture—Con.				
Rural Electrification Administration—Con.				
Rural telephone bank	452			
Appropriation, current, indefinite	BA			^J — 51,026
				^w — 78,864
Authority to borrow, permanent, indefinite	BA	79,838		129,890
Outlays	O	— 61,714	— 219,257	75,334
				^J — 51,026
				^w — 10,623
Limitation on direct loan obligations		(185,115)	(177,045)	(177,045)
				^w (— 177,045)
Total Rural telephone bank	BA	79,838		
	O	— 61,714	— 219,257	13,685
Total Federal funds Rural Electrification Administration	BA	404,306	1,471,562	131,184
	O	— 237,858	— 1,187,246	— 1,260,067
Farmers Home Administration				
<i>Federal funds</i>				
General and Special Funds:				
Salaries and expenses	452			
Appropriation, current	BA	394,545	408,234	420,188
Outlays	O	383,880	405,100	416,600
Rural water and waste disposal grants	452			
Appropriation, current	BA	109,395	109,395	75,000
Outlays	O	157,076	162,621	140,108
Rural community fire protection grants	452			
Appropriation, current	BA	3,091	3,091	
Outlays	O	2,599	3,043	1,754
Rural housing for domestic farm labor	604			
Appropriation, current	BA	9,513	9,513	
Outlays	O	8,848	11,295	10,661
Rural development insurance fund loan subsidies	452			
Appropriation, current	BA			^w 41,731
Outlays	O			^w 1,808
Limitation on direct loan obligations				^w (300,000)
Limitation on guaranteed loan commitments				^w (95,700)
Mutual and self-help housing	604			
Appropriation, current	BA	8,000	8,000	
Outlays	O	6,419	7,661	7,750
Very low-income housing repair grants	604			
Appropriation, current	BA	12,500	12,500	
Outlays	O	13,248	12,669	625
Rural housing voucher program	604			
Appropriation, current	BA			381,600
Outlays	O	14,499	18,714	23,543
Compensation for construction defects	371			
Appropriation, current	BA	713	713	
Outlays	O	275	713	

See footnotes at end of table.

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Department of Agriculture—Con.				
Farmers Home Administration—Con.				
Rural housing preservation grants	604			
Appropriation, current.....	BA	19,140	19,140	.....
Outlays.....	O	10,172	18,066	20,377
Rural development grant program	452			
Appropriation, current.....	BA	3,000	6,500	.....
Outlays.....	O	126	9,495	325
Agricultural credit insurance fund loan subsidies	351			
Appropriation, current.....	BA			^w 74,769
Outlays.....	O			^w 70,990
Limitation on direct loan obligations.....				^w (600,000)
Limitation on guaranteed loan commitments.....				^w (3,600,000)
Public Enterprise Funds:				
Agricultural credit insurance fund	351			
Appropriation, current.....	BA	1,323,403	3,615,153	3,467,596
Authority to borrow, current, indefinite.....	BA			^w — 598,300
Authority to borrow, permanent, indefinite.....	BA	1,609,820		2,152,402
Outlays.....	O	2,563,710	2,123,518	1,823,677
				^w — 568,300
Limitation on administrative expenses.....		(21,930)	(100,000)	(100,000)
Limitation on direct loan obligations.....		(1,493,241)	(1,625,156)	(600,000)
				^w (— 600,000)
Limitation on guaranteed loan commitments.....		(1,565,493)	(2,793,000)	(3,600,000)
				^w (— 3,600,000)
Total Agricultural credit insurance fund.....	BA	2,933,223	3,615,153	5,021,698
	O	2,563,710	2,123,518	1,255,377
Self-help housing land development fund	371			
Outlays.....	O	422	517	— 247
Limitation on direct loan obligations.....		(500)	(500)	.....
Rural housing insurance fund	371			
Appropriation, current.....	BA	2,296,283	2,964,249	3,660,061
Indefinite.....	BA	137,341	160,357	204,428
Authority to borrow, permanent, indefinite.....	BA		3,213,951	.....
Outlays.....	O	798,125	3,246,735	1,411,008
				^j — 88,607
Limitation on administrative expenses.....		(275,310)	(405,810)	.....
Limitation on direct loan obligations.....		(1,918,093)	(1,714,490)	.....
Total Rural housing insurance fund.....	BA	2,433,624	6,338,557	3,864,489
	O	798,125	3,246,735	1,322,401

See footnotes at end of table.

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Department of Agriculture—Con.				
Farmers Home Administration—Con.				
Rural development insurance fund	452			
Appropriation, current.....	BA	656,645	835,182	1,607,047
Authority to borrow, permanent, indefinite.....	BA	170,000	3,067,849	.....
Outlays.....	O	—209,557	777,235	490,811
				^J —67,226
				^w —11,139
Limitation on direct loan obligations.....		(426,080)	(426,080)	(300,000)
Limitation on guaranteed loan commitments.....		(114,840)	(95,700)	^w (—300,000)
				(95,700)
				^w (—95,700)
Total Rural development insurance fund.....	BA	826,645	3,903,031	1,607,047
	O	—209,557	777,235	412,446
Rural development loan fund	452			
Appropriation, current.....	BA	.....	7,500	.....
Outlays.....	O	—2,193	13,082	1,597
Total Federal funds Farmers Home Administra- tion.....	BA	6,753,389	14,441,327	11,486,522
	O	3,747,649	6,810,464	3,686,115
Soil Conservation Service				
<i>Federal funds</i>				
General and Special Funds:				
Conservation operations	302			
Appropriation, current.....	BA	399,671	443,910	455,208
Outlays.....	O	361,819	461,839	454,327
Water resource management and improvement	301			
Appropriation, current.....	BA	197,830	186,575	116,000
Outlays.....	O	227,419	234,896	141,899
Great plains conservation program	302			
Appropriation, current.....	BA	20,474	20,474	6,013
Outlays.....	O	17,531	19,806	13,584
Resource conservation and development	302			
Appropriation, current.....	BA	25,020	25,120	25,020
Outlays.....	O	24,403	25,624	25,060
<i>Trust funds</i>				
Miscellaneous contributed funds:				
(Water resources)	301			
(Appropriation, permanent, indefinite).....	BA	192	460	460
(Outlays).....	O	864	1,769	1,769

See footnotes at end of table.

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Department of Agriculture—Con.				
Soil Conservation Service—Con.				
(Conservation and land management) 302				
(Appropriation, permanent, indefinite).....	BA	100	100	100
(Outlays)	O	100	100	100
Total Miscellaneous contributed funds.....	BA	292	560	560
	O	964	1,869	1,869
Total Federal funds Soil Conservation Service	BA	642,995	676,079	602,241
	O	631,172	742,165	634,870
Total Trust funds Soil Conservation Service	BA	292	560	560
	O	964	1,869	1,869
Animal and Plant Health Inspection Service				
<i>Federal funds</i>				
General and Special Funds:				
Salaries and expenses 352				
Appropriation, current.....	BA	311,467	329,330	294,243
Outlays	O	317,463	330,945	299,296
Buildings and facilities 352				
Appropriation, current.....	BA	2,246	2,246	2,847
Outlays	O	1,795	2,246	2,246
<i>Trust funds</i>				
Miscellaneous trust funds 352				
Appropriation, permanent, indefinite	BA	5,086	4,735	4,735
Outlays	O	4,729	4,735	4,735
Total Federal funds Animal and Plant Health Inspection Service.....	BA	313,713	331,576	297,090
	O	319,258	333,191	301,542
Total Trust funds Animal and Plant Health Inspection Service.....	BA	5,086	4,735	4,735
	O	4,729	4,735	4,735
Federal Grain Inspection Service				
<i>Federal funds</i>				
General and Special Funds:				
Salaries and expenses 352				
Appropriation, current.....	BA	6,826	7,020	8,255
Outlays	O	6,879	6,967	8,051
Public Enterprise Funds:				
Inspection and weighing services 352				
Outlays	O	—2,971		
Total Federal funds Federal Grain Inspection Service.....	BA	6,826	7,020	8,255
	O	3,908	6,967	8,051

See footnotes at end of table.

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Department of Agriculture—Con.				
Agricultural Marketing Service				
<i>Federal funds</i>				
General and Special Funds:				
Marketing services	352			
Appropriation, current.....	BA	31,435	32,409	33,087
Outlays.....	O	18,915	25,485	32,753
Payments to States and possessions	352			
Appropriation, current.....	BA	942	942	
Outlays.....	O	763	883	917
Perishable Agricultural Commodities Act fund	352			
Appropriation, permanent, indefinite.....	BA	3,834	5,329	5,329
Outlays.....	O	4,197	5,329	5,329
Funds for strengthening markets, income, and supply (section 32)	605			
Appropriation, permanent, indefinite.....	BA	434,285	366,742	403,261
Outlays.....	O	391,003	404,552	362,040
<i>Trust funds</i>				
Miscellaneous trust funds	352			
Appropriation, permanent, indefinite.....	BA	85,502	85,979	85,979
Outlays.....	O	65,692	85,979	85,979
Milk market orders assessment fund	351			
Outlays.....	O		3,057	
Total Federal funds Agricultural Marketing Service.....	BA	470,496	405,422	441,677
	O	414,878	436,249	401,039
Total Trust funds Agricultural Marketing Service.....	BA	85,502	85,979	85,979
	O	65,692	89,036	85,979
Office of Transportation				
<i>Federal funds</i>				
General and Special Funds:				
Office of Transportation	352			
Appropriation, current.....	BA	2,397	2,397	1,395
Outlays.....	O	2,293	2,385	1,574
Food Safety and Inspection Service				
<i>Federal funds</i>				
General and Special Funds:				
Salaries and expenses	554			
Appropriation, current.....	BA	372,973	392,009	405,680
Outlays.....	O	372,125	390,980	404,723
<i>Trust funds</i>				
Expenses and refunds, inspection and grading of farm products	352			
Appropriation, permanent, indefinite.....	BA	874	825	825
Outlays.....	O	918	825	825

See footnotes at end of table.

THE FEDERAL PROGRAM BY AGENCY AND ACCOUNT 6f-37

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Department of Agriculture—Con.				
Food and Nutrition Service				
<i>Federal funds</i>				
General and Special Funds:				
Food program administration	605			
Appropriation, current.....	BA	84,794	85,828	94,825
Outlays.....	O	77,410	91,525	94,105
Food stamp program	605			
Appropriation, current.....	BA	11,793,288	12,638,880	12,519,705
Outlays.....	O	11,555,481	12,550,949	12,504,204
Nutrition assistance for Puerto Rico	605			
Appropriation, current.....	BA	852,750	879,250	908,250
Outlays.....	O	851,984	875,507	907,496
Special milk program	605			
Appropriation, current.....	BA	18,295	21,500	19,925
Outlays.....	O	15,446	23,721	22,015
Child nutrition programs	605			
Appropriation, current.....	BA	1,064,923	679,826	515,855
Appropriation, permanent.....	BA	3,295,937	3,817,803	4,093,272
Outlays.....	O	4,044,830	4,404,692	4,675,224
Total Child nutrition programs.....	BA	4,360,860	4,497,629	4,609,127
	O	4,044,830	4,404,692	4,675,224
Supplemental feeding programs	605			
Appropriation, current.....	BA	1,704,994	1,852,363	1,923,848
Outlays.....	O	1,701,705	1,861,109	1,921,931
Cash and commodities for selected groups	605			
Appropriation, current.....	BA	193,589	194,108	199,147
Outlays.....	O	188,254	192,987	198,190
Total Federal funds Food and Nutrition Service....	BA	19,008,570	20,169,558	20,274,827
	O	18,435,110	20,000,490	20,323,165
Human Nutrition Information Service				
<i>Federal funds</i>				
General and Special Funds:				
Salaries and expenses	352			
Appropriation, current.....	BA	6,985	8,623	9,288
Outlays.....	O	9,649	7,628	8,910
Packers and Stockyards Administration				
<i>Federal funds</i>				
General and Special Funds:				
Packers and Stockyards Administration	352			
Appropriation, current.....	BA	9,081	9,402	9,562
Outlays.....	O	9,033	9,355	9,546
Agricultural Cooperative Service				
<i>Federal funds</i>				
General and Special Funds:				
Salaries and expenses	352			
Appropriation, current.....	BA	4,547	4,611	2,303
Outlays.....	O	4,583	4,210	3,282

See footnotes at end of table.

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Department of Agriculture—Con.				
Forest Service				
<i>Federal funds</i>				
General and Special Funds:				
National forest system	302			
Appropriation, current.....	BA	1,185,168	1,243,391	1,159,655
Outlays.....	O	1,231,440	1,165,777	1,169,242
Construction	302			
Appropriation, current.....	BA	267,195	214,078	203,974
Outlays.....	O	228,456	219,454	190,524
Forest research	302			
Appropriation, current.....	BA	126,721	135,510	129,279
Outlays.....	O	119,867	129,789	122,764
State and private forestry	302			
Appropriation, current.....	BA	66,554	76,469	34,781
Outlays.....	O	55,360	78,998	45,745
Other appropriations	302			
Appropriation, current.....	BA	.....	37,000	40,699
Outlays.....	O	193	34,169	29,394
Operation and maintenance of recreation facilities	303			
Appropriation, current.....	BA	.....	.....	8,700
Outlays.....	O	.....	.....	23,100
				6,534
				17,348
Total Operation and maintenance of recreation facilities.....	BA	.....	.....	31,800
	O	.....	.....	23,882
Range betterment fund	302			
Appropriation, current, indefinite.....	BA	3,807	3,605	3,875
Outlays.....	O	3,711	3,645	3,821
Land acquisition	303			
Appropriation, current.....	BA	52,236	49,076	3,900
Outlays.....	O	52,549	54,281	36,911
Acquisition of lands for national forests, special acts	302			
Appropriation, current.....	BA	966	966	966
Outlays.....	O	491	907	966
Acquisition of lands to complete land exchanges	302			
Appropriation, current, indefinite.....	BA	1,573	990	335
Outlays.....	O	1,496	1,052	408
Operations and maintenance of quarters	302			
Appropriation, permanent, indefinite.....	BA	5,730	5,500	5,869
Outlays.....	O	4,729	5,440	5,805
Forest Service permanent appropriations	302			
Appropriation, current, indefinite.....	BA	— 30,000	— 75,000	.....
Appropriation, permanent, indefinite.....	BA	140,870	145,556	91,733
Outlays.....	O	120,277	144,298	111,425
Total Forest Service permanent appropriations.....	BA	110,870	70,556	91,733
	O	120,277	144,298	111,425

See footnotes at end of table.

THE FEDERAL PROGRAM BY AGENCY AND ACCOUNT 6f-39

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Department of Agriculture—Con.				
Forest Service—Con.				
Forest Service permanent appropriations	806			
Appropriation, permanent, indefinite	BA	213,043	314,382	306,433
Outlays	O	303,397	288,750	307,776
Total Forest Service permanent appropriations.....	BA	213,043	314,382	306,433
	O	303,397	288,750	307,776
Intragovernmental Funds:				
Working capital fund	302			
Outlays	O	4,048		
<i>Trust funds</i>				
Reforestation trust fund	302			
Appropriation, permanent, indefinite	BA	31,196	30,000	30,000
Outlays	O	33,159	30,000	30,000
Cooperative work trust fund	302			
Appropriation, permanent, indefinite	BA	254,019	250,369	267,748
Outlays	O	72,216	252,055	265,037
Gifts, donations and bequests for forest and rangeland research	302			
Appropriation, current	BA	27	90	90
Outlays	O	39	90	90
Highway Construction: Mount St. Helens National Monument	401			
Contract authority, current	BA	9,915		
Outlays	O	6,644	2,271	1,000
Total Federal funds Forest Service	BA	2,033,863	2,151,523	2,013,299
	O	2,126,014	2,126,560	2,048,663
Total Trust funds Forest Service	BA	295,157	280,459	297,838
	O	112,058	284,416	296,127
Summary				
Federal funds:				
(As shown in detail above)	BA	53,406,353	60,863,070	56,480,902
	O	51,440,345	51,695,079	49,309,913
Deductions for offsetting receipts:				
Intrafund transactions	302 BA	— 11		
	O			
Proprietary receipts from the public	302 BA	— 929,073	— 1,010,130	— 1,009,520
	O			
	BA		23,100	23,300
	O			
	303 BA		— 8,700	— 8,700
	O			
	BA		23,100	23,300
	O			
Total Federal funds	BA	52,477,269	59,844,240	55,462,682
	O	50,511,261	50,676,249	48,291,693

See footnotes at end of table.

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Department of Agriculture—Con.				
Summary—Con.				
Trust funds:				
(As shown in detail above).....	BA	392,870	383,146	400,525
	O	190,462	391,469	400,123
Deductions for offsetting receipts:				
Proprietary receipts from the public	302 BA	—254,019	—250,369	—267,748
	O			
	352 BA	—97,663	—102,637	—102,637
	O			
Total Trust funds.....	BA	41,188	30,140	30,140
	O	—161,220	38,463	29,738
Total Department of Agriculture.....	BA	52,518,457	59,874,380	55,492,822
	O	50,350,041	50,714,712	48,321,431
Department of Commerce				
General Administration				
<i>Federal funds</i>				
General and Special Funds:				
Salaries and expenses	376			
Appropriation, current.....	BA	36,556	39,204	41,303
Outlays.....	O	34,095	42,016	41,166
Special foreign currency program	376			
Outlays.....	O	292	151	300
Grants and loans administration	452			
Appropriation, current.....	BA	24,986	24,742	40,000
Outlays.....	O	25,107	23,607	22,335
Economic development assistance programs	452			
Appropriation, current.....	BA	189,943	182,028	
Reappropriation.....	BA	1,596		
Outlays.....	O	204,503	217,605	178,512
Limitation on guaranteed loan commitments.....		(187,500)	(187,500)	
Total Economic development assistance pro-grams.....	BA	191,539	182,028	
	O	204,503	217,605	178,512
Miscellaneous appropriations:				
(Other advancement of commerce)	376			
(Outlays).....	O	—23		
(Area and regional development)	452			
(Appropriation, current).....	BA		—1,541	
(Outlays).....	O	671	1,000	
(Training and employment)	504			
(Outlays).....	O	316		
Total Miscellaneous appropriations.....	BA		—1,541	
	O	964	1,000	
Public Enterprise Funds:				
Economic development revolving fund	452			
Outlays.....	O	110,885	26,100	25,100

See footnotes at end of table.

THE FEDERAL PROGRAM BY AGENCY AND ACCOUNT 6f-179

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Totals				
Budget Totals				
Federal funds:				
(As shown in detail above)	BA	822,385,333	864,132,145	901,406,421
	O	800,188,337	840,665,685	873,978,254
Deductions for offsetting receipts:				
(As shown in detail above):				
Intrafund transactions.....	BA			
	O	—19,754,064	—19,473,143	—18,872,938
	BA			
	O			
Interfund transactions from off-budget ac-	BA			
counts	O	—684,833	—819,951	—774,353
Proprietary receipts from the public	BA			
	O	—12,034,238	—12,937,184	—11,961,045
	BA		✓ 680,274	✓ 707,485
	O			
(Undistributed by agency):				
Proprietary receipts from the public:				
Other interest 908	BA			
	O	—902,668		—484,481
Rents and royalties on the Outer Continental				
Shelf 953	BA			
	O	—4,021,478	—3,155,000	—3,920,043
Sale of major assets 954	BA			
	O	—1,874,588		
	BA			✓ —3,325,000
	O			
Total deductions.....	BA			
	O	—39,271,869	—35,705,004	—38,630,375
Federal fund totals.....	BA	783,113,464	828,427,141	862,776,046
	O	760,916,468	804,960,681	835,347,879
Trust funds:				
(As shown in detail above)	BA	236,375,789	252,174,982	270,040,883
	O	182,835,840	192,631,628	203,672,170
Deductions for offsetting receipts:				
(As shown in detail above):				
Intrafund transactions.....	BA			
	O	—9,907	—1,400	—1,400
Intrafund transactions from off-budget ac-	BA			
counts	O	—2,614,177	—2,890,500	—3,008,800
Proprietary receipts from the public	BA			
	O	—16,655,562	—18,912,932	—20,325,778
	BA			✓ 97,400
	O			
Total deductions.....	BA			
	O	—19,279,646	—21,804,832	—23,238,578
Trust fund totals.....	BA	217,096,143	230,370,150	246,802,305
	O	163,556,194	170,826,796	180,433,592

See footnotes at end of table.

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code		1987 actual	1988 estimate	1989 estimate
Totals—Con.				
Budget Totals—Con.				
Interfund transactions (—):				
Interest received by on-budget trust funds	902 BA	— 29,661,807	— 34,320,856	— 38,182,503
	O			
	BA			✓ — 51,990
	O			
Employer share, employee retirement (on-budget)	951 BA	— 27,259,200	— 28,670,216	— 29,037,680
	O			
Applied by agency above.....	BA	— 56,797,293	— 60,018,812	— 67,630,490
	O			
Total interfund transactions	BA	— 113,718,300	— 123,009,884	— 134,908,663
	O			
Budget totals Δ	BA	886,491,307	935,787,407	974,669,688
	O	810,754,362	852,777,593	880,872,808
Off-Budget Totals				
Trust funds:				
(As shown in detail above)	BA	227,639,963	257,309,587	279,682,434
	O	208,070,022	220,536,939	234,543,825
Deductions for offsetting receipts:				
(As shown in detail above):				
Proprietary receipts from the public	BA	✓ — 33,429		
	O			
Interfund transactions (—):				
Interest received by off-budget trust funds	903 BA	✓ — 5,290,161	✓ — 7,270,772	✓ — 10,135,638
	O			
Employer share, employee retirement (off-budget)	952 BA	✓ — 3,300,000	✓ — 4,298,000	✓ — 4,719,000
	O			
Applied by agency above.....	BA	— 5,614,387	— 5,841,815	— 6,346,796
	O			
Total deductions.....	BA	— 14,237,977	— 17,410,587	— 21,201,434
	O			
Off-Budget totals Δ	BA	213,401,986	239,899,000	258,481,000
	O	193,832,045	203,126,352	213,342,391
Federal Government totals Δ	BA	1,099,893,293	1,175,686,407	1,233,150,688
	O	1,004,586,407	1,055,903,945	1,094,215,199

See footnotes at end of table.

THE FEDERAL PROGRAM BY AGENCY AND ACCOUNT 6f-181

BUDGET BY AGENCY AND ACCOUNT (in thousands of dollars)—Continued

Account and functional code	1987 actual	1988 estimate	1989 estimate
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Federal Government Totals

Δ Federal Government Budget totals are distributed as follows:

	1988		1989	
	BA	Outlays	BA	Outlays
Federal funds:				
Enacted, pending and initial requests:				
Appropriations.....	864,132,145	840,667,317	882,936,688	875,942,030
Legislative action required (^Δ).....			— 261,000	— 261,000
To be proposed separately:				
Under proposed legislation (^Δ).....		— 1,632	7,612,832	— 1,654,776
Credit reform ([*]).....			11,167,901	
Allowances.....			— 50,000	— 48,000
Deductions for offsetting receipts.....	— 36,385,278	— 36,385,278	— 36,012,860	— 36,012,860
Under proposed legislation (^Δ).....	680,274	680,274	— 2,617,515	— 2,617,515
Total Federal funds.....	828,427,141	804,960,681	862,776,046	835,347,879
Trust funds:				
Enacted, pending and initial requests:				
Appropriations.....	252,174,982	192,631,628	268,802,493	294,674,081
Off-budget under current law (^Δ).....	257,309,587	220,536,939	279,682,434	234,543,825
Legislative action required (^Δ).....			— 273,200	
To be proposed separately:				
Under proposed legislation (^Δ).....			1,511,590	— 1,001,911
Deductions for offsetting receipts.....	— 21,804,832	— 21,804,832	— 23,335,978	— 23,335,978
Under proposed legislation (^Δ).....			97,400	97,400
Total Trust funds.....	487,679,737	391,363,735	526,484,739	414,977,417
Interfund transactions (—).....	— 140,420,471	— 140,420,471	— 156,110,097	— 156,110,097
Federal Government totals.....	1,175,686,407	1,055,903,945	1,233,150,688	1,094,215,199

^Δ Proposed for later transmittal under proposed legislation.

^{*} Additional authorizing legislation required.

^Δ Legislative action required.

^{*} Credit reform.

^Δ Off-budget under current law.

EXPLANATION OF THE SUMMARY TABLES

Overview.—The tables in this part of the budget are organized as follows:

- Tables 1 through 12 provide summary data on the 1989 Budget in terms of budget authority, outlays, credit, receipts, and surpluses or deficits for the period 1987–93. Summary information is also included on Federal Government financing and debt, current services estimates, the credit budget, and Federal civilian employment.
- Tables 13 and 14 provide greater detail on governmental and offsetting receipts, respectively.
- Table 15 presents 5-year projections of the estimated costs of proposed legislation pursuant to 31 U.S.C. 1105 (a) (12).
- Table 16 provides data on controllability of outlays.
- Tables 17 through 25 are historical in nature, giving data, for earlier years on receipts by source; credit; outlays by function; total receipts, outlays, and surpluses or deficits; and the on- and off-budget components of these amounts. Comparisons with the gross national product, receipts and outlays in constant (fiscal year 1982) prices are also presented.

Periods covered.—Due to the change in fiscal year required by the Congressional Budget Act, the following periods are covered by the various columns or stub entries:

- July 1 through June 30, for the 1976 and prior fiscal periods.
- July 1 through September 30, 1976, for the transition quarter (TQ).
- October 1 through September 30, for the 1977 and subsequent fiscal periods.

Presentation of data.—As in the 1988 Budget, totals shown in the 1989 Budget include off-budget amounts, but the on- and off-budget components are identified separately. In tables by agency, entries for “Health and Human Services, except social security” present on-budget data, and entries for “Health and Human Services, social security” present the off-budget amounts distributed by agency.

The outlay and deficit totals for 1987 exceed those previously reported by the Department of the Treasury by \$2,439 million primarily due to the reclassification to a nonbudgetary status of the Federal Retirement Thrift Investment Board (+\$736 million), and adjustments to outlays for the Department of Agriculture (+\$757 million), the Federal Home Loan Bank Board (+\$920 mil-

lion), the Department of Housing and Urban Development (+\$19 million), and the Small Business Administration (+\$7 million).

Allowances.—Allowances for pay raises in 1990-93 are shown for military personnel and for civilian employees of the Department of Defense (DoD—Military). In addition, allowances for other legislation are shown for 1989-93. Included in the allowances for other legislation for DoD—Military are amounts for aviation bonus pay which are partially offset by savings from proposals to reform the Davis-Bacon and Service Contract Acts and eliminate authorization for procurement of army trucks. These allowances are included in the totals for the DoD—Military and in subfunction 051.

Allowances for pay raises for non-defense civilian employees and for military pay raises for the Coast Guard in 1990-93 are shown at the end of the tables. Other Government-wide allowances for 1989-93 presented at the end of the tables reflect the proposals to reform the Davis-Bacon and Service Contract Acts.

Undistributed offsetting receipts.—Offsetting receipts are generally deducted from budget authority and outlays at the subfunction and agency levels. However, in some cases these amounts are undistributed, i.e., deducted from totals for the Government as a whole rather than from a single agency or subfunction in order to avoid distortion of agency or subfunction totals. These payments are for the employer share, employee retirement (both on-budget and off-budget amounts), rents and royalties on the Outer Continental Shelf (OCS), and the proposed sale of major assets (Conrail, naval petroleum reserves, power marketing administrations, and spectrum fees by the Federal Communications Commission) in 1988-93.

In addition, some offsetting receipts are undistributed at the agency level but not at the subfunction level. These are interest received by on-budget trust funds and interest received by off-budget trust funds (subfunctions 902 and 903, respectively) and interest received from the OCS escrow account (in subfunction 908). Accordingly, the offsetting receipt totals identified as undistributed in tables by agency are larger than those shown in tables by function by the amount of the interest received by trust funds and the interest received from the OCS escrow account.

Description of the tables.—Each table in this part is described below.

- *Table 1, Summary*, provides a general overview of budget authority, receipts, outlays, and surpluses or deficits for 1987-93. Summary information on the Federal credit budget and on the Federal debt are also provided.
- *Table 2, Receipts by source and outlays by agency, 1987-93*, displays data on the composition of receipts by source, the distribution of outlays by the Legislative and Judicial

Branches and by major agency in the Executive Branch, and the surpluses or deficits for these years.

- *Table 3, Outlays by function, 1987-93*, distributes outlays by function. Supporting data by subfunction from 1979-89 is found in table 18. Part 5 of this volume provides detail at the program level for 1987-91.
- *Table 4, Credit budget: new direct loan obligations, guaranteed loan commitments and subsidies by agency*, displays new obligations for direct loans, new commitments for guaranteed loans, by agency for 1987-89 and subsidies for 1989. Additional information can be found in Parts 6b and 5 of this volume and Special Analysis F, "Federal Credit Programs", of the Special Analyses volume.
- *Table 5, Credit Budget: new direct loan obligations, guaranteed loan commitments, and subsidies by function*, displays new obligations for direct loans and new commitments for guaranteed loans by function for 1987-89 and subsidies for 1989. Additional information can be found in Parts 6b and 5 of this volume and Special Analysis F, "Federal Credit Programs", of the Special Analyses volume.
- *Table 6, Federal Government financing and debt*, shows the means of financing the Federal deficit, the gross debt held by Government accounts and the public, and the amount of debt subject to statutory limitation. Further data related to the totals are contained in Special Analysis E, "Borrowing and Debt", and Part 6d of this volume.
- *Table 7, Full-time equivalent of Federal civilian employment*, provides full-time equivalent employment estimates for the major departments and agencies of the Executive Branch for 1987-90. For additional information, see Special Analysis I, "Civilian Employment in the Executive Branch", in the Special Analyses volume.
- *Table 8, Budget authority by function, 1987-93*, distributes budget authority by function. For detail at the program level, see Part 5 of this volume. For the subfunctional classification of budget authority in each account, see Part 6f of this volume.
- *Table 9, Budget authority by agency, 1987-93*, presents the distribution of budget authority by Legislative and Judicial Branches and by major agency in the Executive Branch. For account level detail, see Part 6f of this volume.
- *Table 10, Budget authority and outlays available with and without current action by Congress*, presents budget authority, including supplemental requests, for 1987-89 that requires congressional action during or immediately preceding the fiscal year in which it becomes available and ties budget

authority and outlays available through current action to totals. In most cases, off-budget (social security trust fund) amounts are available as the result of previously enacted legislation (substantive legislation or prior appropriations acts) and do not require further action by Congress. Therefore, they are included in the portion available without current action by Congress. The remaining off-budget amounts are included in the portion available through current action by Congress.

- *Table 11, Relation of budget authority to outlays*, provides a bridge from budget authority to net obligations incurred to outlays for 1987-89. Data on off-budget amounts are included without separate identification. References to other tables in this part that provide detail on data shown in this table are included. A chart on the relationship of budget authority to outlays is shown in Part 6d of this volume.
- *Table 12, Balances of budget authority*, presents data on obligated and unobligated balances of budget authority for 1987-89. Detailed information is available in a separate OMB report, "Balances of Budget Authority", which can be purchased from the National Technical Information Service shortly after the budget is transmitted.
- *Table 13, Receipts by source*, provides detailed data by source for 1987-89 on receipts that are classified as governmental receipts. The total of these receipts is compared with total outlays to calculate the Federal deficit. Information on governmental receipts is also included in table 17 and in Part 4 of this volume.
- *Table 14, Offsetting receipts by type*, presents, by type, offsetting receipts for 1987-89 that are deducted from gross disbursements to calculate outlays. Offsetting receipts data are also included in Part 6f of this volume.
- *Table 15, Legislative proposals for major new and expanded programs in the 1989 Budget, projection of costs*, provides a description of major legislative proposals and a projection of costs for 1988-93.
- *Table 16, Controllability of budget outlays, 1987-89*, displays data classified as relatively uncontrollable and relatively controllable outlays.
- *Table 17, Receipts by source, 1979-89*, provides historical data on governmental receipts by source.
- *Table 18, Outlays by function and subfunction, 1979-89*, includes historical data on outlays by function and subfunction.
- *Table 19, Federal finances and the gross national product, 1970-91*, displays receipts, outlays, surpluses or deficits, and

Federal debt and shows these amounts as percentages of the gross national product.

- *Table 20, Composition of receipts and outlays in current prices, 1972-91*, includes historical data in the composition of receipts and outlays in current dollars.
- *Table 21, Composition of receipts and outlays in constant (fiscal year 1982) prices, 1972-91*, includes historical data on the composition of receipts and outlays in constant dollars for the same categories shown in table 20.
- *Table 22, Direct loan obligations and guaranteed loan commitments by sector, 1979-93* summarizes total direct loan obligations and guaranteed loan commitments by sector: agriculture, business, education, housing, and other.
- *Table 23, Direct loan obligations and guaranteed loan commitments, 1951-93*, includes historical data on direct loan obligations and guaranteed loan commitments.
- *Table 24, Total receipts and outlays, 1789-93*, includes historical data and out-year estimates of total receipts, outlays, and surpluses or deficits. Beginning in 1937, data include amounts for social security trust funds that are off-budget under current law.
- *Table 25, On-budget and off-budget receipts and outlays, 1937-93*, provides historical data and out-year estimates of on- and off-budget components of total receipts, outlays, and surpluses or deficits shown in table 24.

SUMMARY TABLES

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Table 1. SUMMARY

(In billions of dollars)

Description	1987actual	Estimate					
		1988	1989	1990	1991	1992	1993
TOTALS							
Budget authority.....	1,099.9	1,175.7	1,233.2	1,299.0	1,375.7	1,428.8	1,482.2
On-budget.....	(886.5)	(935.8)	(974.7)	(1,016.7)	(1,069.8)	(1,103.9)	(1,135.5)
Off-budget.....	(213.4)	(239.9)	(258.5)	(282.4)	(306.0)	(324.9)	(346.7)
Receipts.....	854.1	909.2	964.7	1,044.1	1,124.4	1,189.9	1,258.1
On-budget.....	(640.7)	(669.3)	(706.2)	(761.7)	(818.5)	(865.0)	(911.3)
Off-budget.....	(213.4)	(239.9)	(258.5)	(282.4)	(306.0)	(324.9)	(346.7)
Outlays.....	1,004.6	1,055.9	1,094.2	1,148.3	1,203.7	1,241.0	1,281.3
On-budget.....	(810.8)	(852.8)	(880.9)	(924.2)	(967.6)	(996.0)	(1,027.5)
Off-budget.....	(193.8)	(203.1)	(213.3)	(224.1)	(236.1)	(245.0)	(253.8)
Surplus or deficit (—).....	— 150.4	— 146.7	— 129.5	— 104.2	— 79.3	— 51.1	— 23.3
On-budget.....	(— 170.0)	(— 183.5)	(— 174.7)	(— 162.5)	(— 149.1)	(— 131.0)	(— 116.2)
Off-budget.....	(19.6)	(36.8)	(45.1)	(58.3)	(69.9)	(79.9)	(92.9)

THE CREDIT BUDGET

New direct loan obligations ...	29.8	28.8	20.0	19.9	19.2	18.3	19.1
New guaranteed loan commitments ¹	142.1	123.2	115.3	118.1	117.0	119.9	122.9
Total	171.9	152.0	135.3	138.0	136.2	138.3	142.0
Change in outstandings:							
Direct loans	—19.0	—16.2	—10.6	—8.3	—2.4	—3.6	—4.4
Guaranteed loans ¹	60.4	20.8	17.0	18.3	14.7	16.0	12.5
Total	41.8	3.6	6.8	10.0	12.3	12.4	8.1

FEDERAL DEBT ²

	1986 actual	1987 actual	Estimate					
			1988	1989	1990	1991	1992	1993
Debt outstanding, end of year:								
Gross Federal debt	2,130.0	2,355.3	2,581.6	2,825.3	3,053.0	3,269.2	3,468.5	3,654.0
Held by:								
Government accounts ...	383.9	457.4	556.5	673.2	797.3	934.7	1,083.6	1,246.5
The public	1,746.1	1,897.8	2,025.1	2,152.1	2,255.7	2,334.4	2,384.9	2,407.5
(Federal Reserve Banks)	(190.9)	(212.0)	.....	.....	.....	.....	.....	.....
(Others)	(1,555.3)	(1,685.8)	.....	.....	.....	.....	.....	.....
ADDENDUM								
Debt subject to statutory limitation	2,111.0	2,336.0	2,572.0	2,819.1	3,051.3	3,267.1	3,466.2	3,651.5

¹ To avoid double counting, excludes guarantees (or commitments) of loans previously guaranteed or guarantees (or commitments) by one Government account of direct loans made by another Government account.

² Some of the 1986 data have been revised from the data in the 1988 Budget. For additional information on the Federal debt, see table 6 of this part, Part 6d of this volume, and Special Analysis E, "Borrowing and Debt."

Note: For all years, transactions of the social security trust funds are presented off-budget.

Table 2. RECEIPTS BY SOURCE AND OUTLAYS BY AGENCY, 1987-93

(In billions of dollars)

	1987 actual	Estimate					
		1988	1989	1990	1991	1992	1993
Receipts by Source:							
Individual income taxes	392.6	393.4	412.4	448.9	490.5	524.4	557.5
Corporation income taxes	83.9	105.6	117.7	129.3	140.6	148.8	153.8
Social insurance taxes and contribu- tions.....	303.3	331.5	354.6	382.5	410.0	433.0	460.2
On-budget.....	(89.9)	(91.6)	(96.1)	(100.1)	(104.0)	(108.1)	(113.4)
Off-budget.....	(213.4)	(239.9)	(258.5)	(282.4)	(306.0)	(324.9)	(346.7)
Excise taxes	32.5	35.3	35.2	36.1	34.7	34.1	34.7
Estate and gift taxes	7.5	7.6	7.8	8.0	8.2	8.2	8.3
Customs duties.....	15.1	16.4	17.2	18.3	19.2	20.3	22.3
Miscellaneous receipts	19.3	19.4	19.8	20.9	21.3	21.0	21.3
Total receipts	854.1	909.2	964.7	1,044.1	1,124.4	1,189.9	1,258.1
On-budget.....	(640.7)	(669.3)	(706.2)	(761.7)	(818.5)	(865.0)	(911.3)
Off-budget.....	(213.4)	(239.9)	(258.5)	(282.4)	(306.0)	(324.9)	(346.7)
Outlays by agency:							
Legislative Branch	1.8	1.9	2.1	2.2	2.2	2.2	2.2
The Judiciary	1.2	1.4	1.7	1.7	1.8	1.9	2.0
Executive Office of the President.....	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Funds Appropriated to the President...	10.4	5.2	8.8	7.9	11.0	10.7	10.6
Agriculture.....	50.4	50.7	48.3	48.2	46.7	45.9	45.0
Commerce.....	2.1	2.5	2.6	3.5	2.2	2.1	1.8
Defense—Military ¹	274.0	277.3	285.5	297.3	311.0	325.9	341.5
Defense—Civil.....	20.7	22.3	23.7	25.0	26.2	27.2	28.3
Education.....	16.8	18.8	22.7	23.9	23.2	22.5	21.9
Energy	10.7	10.5	11.8	12.8	13.5	14.0	14.2
Health and Human Services, except Social Security	148.9	160.4	168.6	181.3	196.0	213.2	230.6
Health and Human Services, Social Security.....	202.4	214.7	228.2	243.1	259.2	272.3	285.1
Housing and Urban Development.....	15.5	18.6	21.6	22.6	21.5	20.2	20.2
Interior	5.0	5.4	5.0	2.8	4.7	3.3	4.5
Justice	4.3	5.2	5.8	6.2	6.3	6.5	6.6
Labor.....	23.5	22.0	23.1	23.7	24.8	25.3	26.3
State	2.8	3.3	3.4	3.5	3.6	3.7	3.8
Transportation.....	25.4	26.3	26.4	26.5	26.4	26.4	26.0
Treasury	180.3	198.9	205.7	216.7	227.9	228.1	224.5
Environmental Protection Agency.....	4.9	4.9	5.1	5.4	5.2	4.8	4.6
General Services Administration.....	0.1	— 0.1	— *	0.2	0.2	— 0.2	— *
National Aeronautics and Space Ad- ministration.....	7.6	9.1	11.0	12.7	14.1	14.4	14.5
Office of Personnel Management	27.0	28.5	30.5	33.9	35.5	37.7	39.8
Small Business Administration.....	— 0.1	0.3	— 0.4	— 0.2	0.4	0.4	0.6
Veterans Administration.....	27.0	27.6	29.5	30.6	30.9	31.3	31.7
Other Independent Agencies	14.3	17.9	13.3	13.6	12.8	12.6	13.0
Allowances ²			— *	0.9	2.1	3.4	4.7
Undistributed offsetting receipts.....	— 72.3	— 77.7	— 89.9	— 97.8	— 105.6	— 114.9	— 122.7
Interest	(— 35.9)	(— 41.6)	(— 48.9)	(— 55.6)	(— 62.9)	(— 69.6)	(— 75.0)
Other.....	(— 36.5)	(— 36.1)	(— 41.0)	(— 42.2)	(— 42.7)	(— 45.3)	(— 47.7)
Total outlays	1,004.6	1,055.9	1,094.2	1,148.3	1,203.7	1,241.0	1,281.3
On-budget.....	(810.8)	(852.8)	(880.9)	(924.2)	(967.6)	(996.0)	(1,027.5)
Off-budget.....	(193.8)	(203.1)	(213.3)	(224.1)	(236.1)	(245.0)	(253.8)
Surplus or deficit (—)	— 150.4	— 146.7	— 129.5	— 104.2	— 79.3	— 51.1	— 23.3
On-budget.....	(— 170.0)	(— 183.5)	(— 174.7)	(— 162.5)	(— 149.1)	(— 131.0)	(— 116.2)
Off-budget.....	(19.6)	(36.8)	(45.1)	(58.3)	(69.9)	(79.9)	(92.9)

^{*} \$50 million or less.¹ Includes allowances for the Department of Defense.² Includes allowances for civilian agencies.

SUMMARY TABLES

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Table 3. OUTLAYS BY FUNCTION, 1987-93

(in billions of dollars)

	1987 actual	Estimate					
		1988	1989	1990	1991	1992	1993
050 National defense.....	282.0	285.4	294.0	306.2	320.2	335.4	351.3
Department of Defense—Military ¹	(274.0)	(277.3)	(285.5)	(297.3)	(311.0)	(325.9)	(341.5)
Other.....	(8.0)	(8.1)	(8.5)	(8.9)	(9.2)	(9.5)	(9.8)
150 International affairs.....	11.6	9.9	13.3	13.1	15.9	15.8	15.8
250 General science, space, and technology...	9.2	10.9	13.1	15.2	16.8	17.5	18.0
270 Energy.....	4.1	2.7	3.1	4.5	4.3	3.8	3.5
300 Natural resources and environment.....	13.4	15.1	16.0	14.7	15.8	13.9	14.6
350 Agriculture.....	27.4	22.4	21.7	19.5	18.5	17.4	15.9
370 Commerce and housing credit.....	6.2	12.4	7.9	8.6	6.8	5.1	4.9
400 Transportation.....	26.2	27.2	27.3	27.4	27.3	27.2	26.9
450 Community and regional development.....	5.1	6.3	5.9	5.9	5.2	5.1	5.1
500 Education, training, employment, and social services.....	29.7	33.7	37.4	39.1	38.5	37.1	36.6
550 Health.....	40.0	44.5	47.8	52.4	56.4	60.9	65.4
570 Medicare.....	75.1	78.9	84.0	93.7	104.0	115.8	128.0
600 Income security.....	123.2	129.6	135.6	140.6	146.4	152.2	157.9
650 Social security.....	207.4	219.7	233.8	248.5	263.4	277.2	290.4
On-budget.....	(4.9)	(5.0)	(5.6)	(5.4)	(4.3)	(4.9)	(5.3)
Off-budget.....	(202.4)	(214.7)	(228.2)	(243.1)	(259.2)	(272.3)	(285.1)
700 Veterans benefits and services.....	26.8	27.7	29.6	30.8	31.0	31.4	31.8
750 Administration of justice.....	7.5	9.0	9.9	10.3	10.5	10.8	11.1
800 General government.....	7.6	8.8	9.5	10.2	10.0	9.8	10.0
870 Central federal credit activities.....			-6.3	-7.7	-6.3	-5.3	-5.2
900 Net interest.....	138.6	147.9	151.8	156.7	159.6	151.9	142.4
On-budget.....	(143.9)	(155.1)	(161.9)	(170.1)	(176.8)	(172.9)	(166.9)
Off-budget.....	(-5.3)	(-7.3)	(-10.1)	(-13.4)	(-17.2)	(-21.0)	(-24.4)
920 Allowances:							
Civilian agency pay raises.....				0.9	2.1	3.4	4.8
Savings from reform of Davis-Bacon and Service Contract Acts (non-DOD).....			-*	-*	-*	-*	-*
Total allowances ²		*	-*	0.9	2.1	3.4	4.7
950 Undistributed offsetting receipts:							
Employer share, employee retirement (on-budget).....	-27.3	-28.7	-29.0	-31.0	-32.5	-34.1	-35.9
Employer share, employee retirement (off-budget).....	-3.3	-4.3	-4.7	-5.5	-5.8	-6.3	-6.8
Rents and royalties on the Outer Conti- nental Shelf.....	-4.0	-3.2	-3.9	-3.8	-4.1	-4.7	-4.7
Sale of major assets.....	-1.9		-3.3	-1.9	-0.2	-0.2	-0.2
Total undistributed offsetting receipts....	-36.5	-36.1	-41.0	-42.2	-42.7	-45.3	-47.7
On-budget.....	(-33.2)	(-31.8)	(-36.3)	(-36.7)	(-36.9)	(-39.0)	(-40.9)
Off-budget.....	(-3.3)	(-4.3)	(-4.7)	(-5.5)	(-5.8)	(-6.3)	(-6.8)
Total outlays.....	1,004.6	1,055.9	1,094.2	1,148.3	1,203.7	1,241.0	1,281.3
On-budget.....	(810.8)	(852.8)	(880.9)	(924.2)	(967.6)	(996.0)	(1,027.5)
Off-budget.....	(193.8)	(203.1)	(213.3)	(224.1)	(236.1)	(245.0)	(253.8)

* \$50 million or less.

¹ Includes allowances for the Department of Defense.² Includes allowances for civilian agencies.

Table 4. CREDIT BUDGET: NEW DIRECT LOAN OBLIGATIONS, GUARANTEED LOAN COMMITMENTS, AND SUBSIDIES BY AGENCY

(In millions of dollars)

Department or other unit	Direct loan obligations			Guaranteed loan commitments			1989 loan subsidy estimates		
	1987 actual	1988 estimate	1989 estimate	1987 actual	1988 estimate	1989 estimate	Direct	Guaranteed	Total
Funds Appropriated to the President	4,325	4,174	4,482	345	5,478	2,675	3	200	202
Agriculture	22,223	21,051	12,562	5,260	10,389	8,515	660	636	1,295
Commerce	1	62	*	80	105				
Education	60	1		9,730	9,576	10,039		3,242	3,242
Health and Human Services	1	1		221	350	177	*	4	4
Housing and Urban Development ¹	639	692	454	80,025	59,994	61,790	76	2,800	2,876
Interior	51	45	31	39	34	45	14	11	26
Transportation	49	50	53				*		*
Environmental Protection Agency	28	17							
Small Business Administration	294	435	265	3,387	3,791	3,597	38	327	365
Veterans Administration	1,010	1,064	978	34,900	18,287	17,940	*	1,184	1,184
Other independent agencies:									
Export-Import Bank	677	693	705	6,754	14,601	10,200	82	254	336
Federal Savings and Loan Insurance Corporation (FHLBB)	96	100	74	1,260	623	325	2	81	83
National Credit Union Administration	108	147	149	62	5	4	7	4	11
Tennessee Valley Authority	253	283	249				3		3
Other agencies and programs	3	3	2						
Total	29,817	28,817	20,005	142,064	123,233	115,306	885	8,743	9,628
ADDENDUM									
Secondary guaranteed loans ¹				139,976	83,355	83,609			

* \$500 thousand or less.

¹ Commitments by GNMA to guarantee securities that are backed by loans previously insured or guaranteed by the Federal Housing Administration, Veterans Administration, or Farmers Home Administration (secondary guarantees) are excluded from the direct loan obligations and guaranteed loan commitments totals and shown as a memorandum entry.

Table 5. CREDIT BUDGET: NEW DIRECT LOAN OBLIGATIONS, GUARANTEED LOAN COMMITMENTS, AND SUBSIDIES BY FUNCTION
(In millions of dollars)

Function	Direct loan obligations			Guaranteed loan commitments			1989 loan subsidy estimates		
	1987 actual	1988 estimate	1989 estimate	1987 actual	1988 estimate	1989 estimate	Direct	Guaranteed	Total
150 International affairs.....	5,806	5,645	5,927	7,099	20,079	12,875	602	454	1,056
270 Energy.....	1,286	2,078	249	582	2,000	1,319	3	81	83
300 Natural resources and environment.....	72	49	18				11		11
350 Agriculture.....	18,060	16,161	11,346	4,564	8,293	7,100	75	554	629
370 Commerce and housing credit ¹	2,581	2,654	677	84,785	64,354	65,715	85	3,212	3,297
400 Transportation.....	49	50	53				*		*
450 Community and regional development.....	890	1,051	755	184	293	141	109	12	120
500 Education, training, employment, and social services.....	60	62	*	9,730	9,576	10,039		3,242	3,242
550 Health.....	1	1		221	350	177	*	4	4
600 Income security.....	3	2	2				*		*
700 Veterans benefits and services.....	1,010	1,064	978	34,900	18,287	17,940	*	1,184	1,184
Total	29,817	28,817	20,005	142,064	123,233	115,306	885	8,743	9,628
ADDENDUM									
Secondary guaranteed loans ¹				139,976	83,355	83,609			

* \$500 thousand or less.

¹ Commitments by GNMA to guarantee securities that are backed by loans previously insured or guaranteed by the Federal Housing Administration, Veterans Administration, or Farmers Home Administration (secondary guarantees) are excluded from the totals and shown as a memorandum entry.

Table 6. FEDERAL GOVERNMENT FINANCING AND DEBT

(In billions of dollars)

	1987 actual	Estimate					
		1988	1989	1990	1991	1992	1993
FINANCING							
Surplus or deficit (—)	— 150.4	— 146.7	— 129.5	— 104.2	— 79.3	— 51.1	— 23.3
On-budget	(— 170.0)	(— 183.5)	(— 174.7)	(— 162.5)	(— 149.1)	(— 131.0)	(— 116.2)
Off-budget	(19.6)	(36.8)	(45.1)	(58.3)	(69.9)	(79.9)	(92.9)
Means of financing other than borrowing from the public:							
Decrease or increase (—) in Treasury operating cash balance..	— 5.1	16.4					
Increase or decrease (—) in:							
Checks outstanding, etc. ¹	5.2	2.3	2.6				
Deposit fund balances....	— 1.8	— .3	— .9				
Seigniorage on coins	0.5	0.4	0.5	0.6	0.6	0.6	0.6
Proceeds from the sale of loan assets with recourse.....		0.7	0.3				
Total, means of financing other than borrowing from the public....	— 1.3	19.5	2.5	0.6	0.6	0.6	0.6
Total, requirements for borrowing from the public....	— 151.7	— 127.2	— 127.0	— 103.6	— 78.7	— 50.5	— 22.6
Change in debt held by the public	151.7	127.2	127.0	103.6	78.7	50.5	22.6
DEBT, END OF YEAR							
Gross Federal debt:							
Debt issued by Treasury.....	2,350.3	2,574.4	2,816.6	3,043.9	3,259.9	3,459.3	3,644.8
Debt issued by other agencies	5.0	7.2	8.7	9.1	9.2	9.2	9.2
Total, gross Federal debt.....	2,355.3	2,581.6	2,825.3	3,053.0	3,269.2	3,468.5	3,654.0
Held by:							
Government accounts	457.4	556.5	673.2	797.3	934.7	1,083.6	1,246.5
The public	1,897.8	2,025.1	2,152.1	2,255.7	2,334.4	2,384.9	2,407.5
Federal Reserve Banks...	212.0						
Others.....	1,685.8						

Table 6. FEDERAL GOVERNMENT FINANCING AND DEBT—Continued

DEBT SUBJECT TO STATUTORY LIMITATION, END OF YEAR

(In billions of dollars)

	1987 actual	Estimate					
		1988	1989	1990	1991	1992	1993
Debt issued by Treasury	2,350.3	2,574.4	2,816.6	3,043.9	3,259.9	3,459.3	3,644.8
Treasury debt not subject to limitation ²	—15.6	—10.6	—5.6	—6	—6	—6	—6
Agency debt subject to limitation	1.3	0.3	0.4	0.4	0.4	0.4	0.4
Unamortized discount on zero-coupon bonds		7.9	7.7	7.5	7.3	7.1	6.9
Total, debt subject to statutory limitation ³	2,336.0	2,572.0	2,819.1	3,051.3	3,267.1	3,466.2	3,651.5

¹ Besides checks outstanding, includes accrued interest payable on Treasury debt, miscellaneous liability accounts, allocations of special drawing rights, and, as an offset, cash and monetary assets other than the Treasury operating cash balance, miscellaneous asset accounts, and profit on sale of gold.

² Consists of Federal Financing Bank debt and other Treasury debt not subject to statutory limitation

³ The statutory debt limit is \$2,800 billion.

Table 7. FULL-TIME EQUIVALENT OF FEDERAL CIVILIAN EMPLOYMENT ¹

Agency	Fiscal year				Difference 1988-89
	1987 actual ²	1988 estimate	1989 estimate	1990 estimate	
Agriculture	102,579	104,962	102,047	100,378	-2,915
Commerce	31,916	38,430	36,273	85,222	-2,157
Defense—civil functions	28,199	28,227	28,615	28,542	388
Education	4,412	4,495	4,489	4,489	-6
Energy	16,116	16,266	15,804	15,404	-462
Health and Human Services	122,656	119,624	115,045	110,972	-4,579
Housing and Urban Development	12,282	13,101	12,673	12,243	-428
Interior	69,662	70,468	69,725	69,725	-743
Justice	65,703	72,455	77,324	80,344	4,869
Labor	17,674	18,518	18,591	18,637	73
State	25,724	26,125	25,837	25,831	-288
Transportation	60,310	61,162	62,242	62,612	1,080
Treasury	138,353	151,801	153,358	154,641	1,557
Environmental Protection Agency	13,488	14,448	14,570	14,334	122
National Aeronautics and Space Administration	22,001	22,425	22,950	22,950	525
Veterans Administration	221,020	220,869	218,420	216,247	-2,449
Other:					
Agency for International Development	4,569	4,725	4,725	4,725	.....
General Services Administration	19,882	21,071	20,155	19,663	-916
Nuclear Regulatory Commission	3,376	3,250	3,180	3,120	-70
Office of Personnel Management	5,108	5,372	5,261	5,088	-111
Panama Canal Commission	8,433	8,665	8,665	8,665	.....
Small Business Administration	4,048	4,121	4,304	4,234	183
Tennessee Valley Authority	28,297	29,500	29,500	29,500	.....
United States Information Agency	8,849	8,950	8,870	8,700	-80
Miscellaneous	40,161	42,313	42,072	42,139	-241
Estimated nondefense lapse .....	.....	-16,670	-11,047	-5,742	5,623
Civilian agency employment	1,074,818	1,094,673	1,093,648	1,142,663	-1,025
Defense—military functions ³	1,031,317	1,028,809	1,017,012	1,017,000	-11,797
Subtotal	2,106,135	2,123,482	2,110,660	2,159,663	-12,822
Postal Service Employment ⁴	761,180	830,051	816,268	816,268	-13,783
Total, Executive Branch	2,867,315	2,953,533	2,926,928	2,975,931	-26,605

¹ Excludes developmental positions under the Worker-Trainee Opportunity Program; disadvantaged summer and part-time workers under such Office of Personnel Management programs as Summer Aids stay-in-school and junior fellowship; and certain statutory exemptions.

² Data are estimated for portions of Defense-Civil Functions as well as for the Federal Reserve System, Board of Governors and the International Trade Commission.

³ By law (10 U.S.C., Chapter 4, section 140b), the Department of Defense is exempt from full-time equivalent employment controls. Data shown are estimated.

⁴ Includes the Postal Rate Commission.

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Table 8. BUDGET AUTHORITY BY FUNCTION, 1987-93

(In billions of dollars)

	1987 actual	Estimate					
		1988	1989	1990	1991	1992	1993
050 National defense.....	287.4	291.4	299.5	316.4	333.7	351.6	370.2
Department of Defense—Mili- tary ¹	(279.5)	(283.2)	(290.8)	(307.3)	(324.3)	(342.0)	(360.3)
Other.....	(8.0)	(8.3)	(8.7)	(9.1)	(9.4)	(9.6)	(9.9)
150 International affairs.....	18.7	16.2	16.5	17.7	16.8	17.1	17.5
250 General science, space, and technology.....	12.5	10.7	13.9	16.2	17.0	18.1	18.5
270 Energy.....	3.4	5.5	4.8	5.9	5.8	5.4	5.0
300 Natural resources and envi- ronment.....	14.6	15.4	15.2	13.3	14.8	13.2	13.9
350 Agriculture.....	25.4	22.5	23.8	22.6	20.9	22.8	19.8
370 Commerce and housing credit...	10.9	16.3	14.8	13.6	13.1	11.1	10.9
400 Transportation.....	27.0	28.0	27.0	27.4	27.5	28.1	27.9
450 Community and regional de- velopment.....	6.6	9.5	6.2	6.0	5.8	5.3	5.3
500 Education, training, employ- ment, and social services.....	33.2	35.0	39.4	39.0	38.5	37.1	36.6
550 Health.....	41.3	45.5	48.8	52.4	56.8	61.3	66.0
570 Medicare.....	84.0	93.9	106.5	115.4	126.5	137.9	150.1
600 Income security.....	160.7	171.0	173.2	176.6	191.2	197.5	201.8
650 Social security.....	226.9	256.5	278.9	306.8	333.3	357.1	383.2
On-budget.....	(4.9)	(5.0)	(5.6)	(5.4)	(4.3)	(4.9)	(5.3)
Off-budget.....	(222.0)	(251.5)	(273.3)	(301.3)	(329.0)	(352.2)	(377.9)
700 Veterans benefits and services..	27.5	28.2	30.2	31.0	31.3	31.7	32.0
750 Administration of justice.....	8.8	9.2	10.3	10.4	10.6	10.9	11.2
800 General government.....	8.7	9.0	9.9	9.9	10.0	10.1	10.2
870 Central federal credit activi- ties.....			3.4	3.2	3.0	2.6	2.5
900 Net interest.....	138.6	147.9	151.8	156.7	159.6	151.9	142.4
On-budget.....	(143.9)	(155.1)	(161.9)	(170.1)	(176.8)	(172.9)	(166.9)
Off-budget.....	(-5.3)	(-7.3)	(-10.1)	(-13.4)	(-17.2)	(-21.0)	(-24.4)
920 Allowances:							
Civilian agency pay raises.....				1.0	2.2	3.5	4.8
Savings from reform of Davis- Bacon and Service Contract Acts (non-DOD).....			—*	—*	—*	—*	—*
Total allowances ²			—*	0.9	2.1	3.4	4.8
950 Undistributed offsetting re- ceipts:							
Employer share, employee re- tirement (on-budget).....	-27.3	-28.7	-29.0	-31.0	-32.5	-34.1	-35.9
Employer share, employee re- tirement (off-budget).....	-3.3	-4.3	-4.7	-5.5	-5.8	-6.3	-6.8
Rents and royalties on the Outer Continental Shelf.....	-4.0	-3.2	-3.9	-3.8	-4.1	-4.7	-4.7
Sale of major assets.....	-1.9		-3.3	-1.9	-0.2	-0.2	-0.2
Total undistributed offsetting receipts.....	-36.5	-36.1	-41.0	-42.2	-42.7	-45.3	-47.7
On-budget.....	(-33.2)	(-31.8)	(-36.3)	(-36.7)	(-36.9)	(-39.0)	(-40.9)
Off-budget.....	(-3.3)	(-4.3)	(-4.7)	(-5.5)	(-5.8)	(-6.3)	(-6.8)
Total budget authority...	1,099.9	1,175.7	1,233.2	1,299.0	1,375.7	1,428.8	1,482.2
On-budget.....	(886.5)	(935.8)	(974.7)	(1,016.7)	(1,069.8)	(1,103.9)	(1,135.5)
Off-budget.....	(213.4)	(239.9)	(258.5)	(282.4)	(306.0)	(324.9)	(346.7)

* \$50 million or less.

¹ Includes allowances for the Department of Defense.² Includes allowances for civilian agencies.

Table 9. BUDGET AUTHORITY BY AGENCY, 1987-93

(In billions of dollars)

Department or other unit	1987 Actual	Estimate					
		1988	1989	1990	1991	1992	1993
Legislative Branch.....	1.9	1.9	2.1	2.2	2.2	2.3	2.3
The Judiciary.....	1.3	1.3	1.7	1.8	1.9	1.9	2.0
Executive Office of the President.....	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Funds Appropriated to the President.....	13.0	10.5	10.6	11.1	10.5	10.8	11.0
Agriculture.....	52.5	59.9	55.5	53.5	53.2	54.2	51.7
Commerce.....	2.2	2.4	2.4	3.2	2.0	1.9	1.8
Defense—Military ¹	279.5	283.2	290.8	307.3	324.3	342.0	360.3
Defense—Civil.....	35.1	36.9	38.5	40.4	42.5	44.8	47.1
Education.....	19.6	20.3	24.2	23.7	23.1	22.4	21.8
Energy.....	10.1	10.8	12.5	14.0	14.5	14.8	14.4
Health and Human Services, except Social Security.....	159.7	176.7	191.4	203.3	218.5	235.3	252.7
Health and Human Services, Social Security.....	222.0	251.5	273.3	301.3	329.0	352.2	377.9
Housing and Urban Development.....	14.7	15.4	16.2	16.0	24.3	22.4	21.2
Interior.....	5.3	5.4	4.8	2.7	4.6	3.3	4.5
Justice.....	5.2	5.4	6.2	6.2	6.2	6.5	6.6
Labor.....	30.3	31.5	31.7	30.5	30.2	31.1	31.2
State.....	3.8	3.7	3.8	4.2	4.2	4.3	4.4
Transportation.....	26.1	27.1	26.1	26.6	26.7	27.3	27.1
Treasury.....	181.9	199.0	215.8	227.4	237.3	236.1	232.3
Environmental Protection Agency.....	5.3	5.0	4.7	4.6	4.5	4.3	3.9
General Services Administration.....	0.3	—*	*	*	*	*	*
National Aeronautics and Space Administration.....	10.9	8.9	11.5	13.4	14.0	14.7	14.9
Office of Personnel Management.....	44.8	47.7	50.5	53.4	56.7	59.3	61.8
Small Business Administration..	0.6	0.5	0.8	0.8	0.7	0.6	0.6
Veterans Administration.....	27.4	28.1	30.1	30.9	31.2	31.6	31.9
Other Independent Agencies.....	18.8	20.3	17.8	17.3	16.7	16.1	16.6
Allowances ²			—*	0.9	2.1	3.4	4.8
Undistributed offsetting receipts:							
Interest.....	—35.9	—41.6	—48.9	—55.6	—62.9	—69.6	—75.0
Other.....	—36.5	—36.1	—41.0	—42.2	—42.7	—45.3	—47.7
Total Undistributed offsetting receipts.....	—72.3	—77.7	—89.9	—97.8	—105.6	—114.9	—122.7
On-budget.....	(—63.7)	(—66.1)	(—75.0)	(—78.9)	(—82.5)	(—87.6)	(—91.5)
Off-budget.....	(—8.6)	(—11.6)	(—14.9)	(—19.0)	(—23.1)	(—27.3)	(—31.2)
Total budget authority.....	1,099.9	1,175.7	1,233.2	1,299.0	1,375.7	1,428.8	1,482.2
On-budget.....	(886.5)	(935.8)	(974.7)	(1,016.7)	(1,069.8)	(1,103.9)	(1,135.5)
Off-budget.....	(213.4)	(239.9)	(258.5)	(282.4)	(306.0)	(324.9)	(346.7)

* \$50 million or less.

¹ Includes allowances for the Department of Defense.² Includes allowances for civilian agencies.

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Table 10. BUDGET AUTHORITY AND OUTLAYS AVAILABLE WITH AND WITHOUT CURRENT ACTION BY CONGRESS ¹

(In millions of dollars)

Department or other unit	Budget Authority			Outlays		
	1987 actual	1988 estimate	1989 estimate	1987 actual	1988 estimate	1989 estimate
Portion available through current action by Congress:						
Legislative Branch	1,748	1,774	1,989	1,476	1,585	1,779
The Judiciary	1,254	1,325	1,717	1,086	1,174	1,518
Executive Office of the President	118	125	125	98	106	107
Funds appropriated to the President	12,467	12,428	12,394	4,544	5,414	4,908
Agriculture	27,151	32,546	33,634	22,686	30,224	26,794
Commerce	2,137	2,409	2,396	1,129	1,635	1,747
Defense—Military ²	278,324	283,661	291,309	163,791	166,603	171,825
Defense—Civil	3,202	3,307	3,371	2,118	2,499	2,543
Education	19,681	20,307	24,252	7,177	6,537	9,241
Energy	12,912	14,183	15,417	7,728	8,539	9,630
Health and Human Services	79,959	89,430	97,490	71,301	80,348	85,585
Housing and Urban Development	12,996	13,291	14,198	1,106	1,225	2,781
Interior	5,419	5,377	4,919	3,842	3,934	3,870
Justice	5,133	5,079	5,898	3,589	3,896	4,458
Labor	5,665	6,321	6,941	1,575	2,110	2,265
State	3,171	3,135	3,198	2,086	2,298	2,395
Transportation	23,494	11,948	9,197	6,832	6,915	6,482
Treasury	6,046	7,419	11,526	5,301	6,366	716
Environmental Protection Agency	5,900	5,267	4,779	1,776	1,529	1,413
General Services Administration	347	267	301	272	223	236
National Aeronautics and Space Administration	10,923	8,926	11,488	5,254	5,311	6,913
Office of Personnel Management	6,116	6,612	7,345	5,972	6,389	7,059
Small Business Administration	489	415	778	198	225	372
Veterans Administration	26,605	27,062	29,403	23,333	23,955	25,537
Other Independent Agencies	8,449	8,273	7,887	6,089	5,970	5,161
Allowances ³			— 50			— 48
Subtotal	559,706	570,886	601,902	350,359	375,009	385,286
Portion available without current action by Congress	726,695	802,731	849,227	516,852	527,696	516,279
Outlays from obligated balances ⁴				220,743	220,414	235,043
Outlays from unobligated balances ⁴				103,141	130,715	175,586
Deductions for offsetting receipts	— 186,508	— 197,930	— 217,979	— 186,508	— 197,930	— 217,979
Total budget authority and outlays	1,099,893	1,175,686	1,233,151	1,004,586	1,055,904	1,094,215
MEMORANDUM						
Appropriations to liquidate contract authority: ⁵						
Agriculture	2,552	7,334				
Interior	12	31	31			
Transportation	15,652	15,971	15,103			
Total	18,217	23,336	15,134			

¹ Includes budget authority and outlays that are off-budget under current law.² Includes allowances for Department of Defense.³ Savings from reform of Davis-Bacon and Service Contract Acts for civilian agencies.⁴ Outlays from appropriations to liquidate contract authority are included as outlays from balances.⁵ Excluded from budget authority above.

Table 11. RELATION OF BUDGET AUTHORITY TO OUTLAYS ¹

(In millions of dollars)

Description	1987 actual	1988 estimate	1989 estimate
<i>Budget authority available through current action by Congress:</i>			
Enacted, pending, or recommended herein:			
Appropriations ²	539,584	568,219	581,346
Contract authority	19,113	1,700	.....
Authority to borrow	614	646	289
Reappropriations and reauthorizations	396	321	26
To be requested separately:			
Appropriations ²			16,736
Contract authority			266
Authority to borrow			3,241
Total budget authority available through current action by Congress (table 10)	559,706	570,886	601,902
<i>Budget authority available without current action by Congress (permanent authorizations):</i>			
Appropriations ²	682,226	746,354	799,728
Proceeds of loan asset sales with recourse		380	270
Contract authority	13,403	22,718	23,726
Authority to borrow	31,066	33,279	25,504
<i>Deductions for offsetting receipts (table 14):</i>			
Intragovernmental transactions	-150,986	-163,605	-178,768
Proprietary receipts from the public	-35,522	-34,325	-39,211
Total budget authority for the year (table 8)	1,099,893	1,175,686	1,233,151
<i>Unobligated balances and adjustments:</i>			
Unobligated balances:			
Brought forward at start of year (table 12)	523,209	576,566	652,980
Written off (rescinded, lapsed, etc.) ³	-4,095	-23,512	-20,386
Carried forward at end of year (table 12)	-576,566	-652,980	-774,454
Obligations incurred, net ⁴	1,042,441	1,075,760	1,091,291
<i>Obligated balances:</i>			
Brought forward at start of year, funded (table 12)	625,331	651,256	653,507
Adjustments in expired accounts	2,079	-364	-342
Adjustments in unexpired accounts	-14,009	-17,252	-10,909
Deficiency appropriations		10	.....
Carried forward at end of year (table 12)	-651,256	-653,507	-639,332
Outlays (table 3)	1,004,586	1,055,904	1,094,215
MEMORANDUM			
Federal funds included above:			
Budget authority available through current action by Congress	542,669	564,727	594,420
Budget authority ⁵	783,113	828,427	862,776
Obligations incurred, net ⁵	795,980	822,819	834,765
Budget outlays ⁵	760,916	804,961	835,348

¹ Includes budget authority and outlays that are off-budget under current law.² Excludes appropriations to liquidate contract authority.

	1987 actual	1988 estimate	1989 estimate
Enacted, pending, or recommended herein	37,991	43,308	35,123
For later transmittal			453

³ Includes redemption of agency debt and capital transfers to the general fund.⁴ For additional information on obligations incurred, net, see the OMB report entitled, "Object Class Analysis", which can be purchased from the National Technical Information Service shortly after the budget is transmitted.⁵ Amounts are net of intrafund transactions and proprietary receipts from the public.

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Table 12. BALANCES OF BUDGET AUTHORITY ¹

(In millions of dollars)

Department or other unit	Start 1987		End 1987		End 1988		End 1989	
	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated
Legislative Branch.....	387	416	460	353	520	238	585	222
The Judiciary.....	115	122	146	177	169	135	220	144
Executive Office of the President.....	17	*	19		19	2	19	1
Funds appropriated to the President.....	49,736	27,227	52,224	28,398	50,880	28,339	49,665	28,365
Agriculture.....	30,142	1,705	31,647	2,121	31,561	1,444	25,600	1,183
Commerce.....	1,468	387	1,558	250	1,656	80	1,431	115
Defense—Military ²	198,892	59,651	214,115	47,621	224,794	41,233	231,126	40,058
Defense—Civil.....	2,135	22,930	2,457	37,061	2,721	51,398	2,908	66,002
Education.....	13,670	1,676	13,637	2,241	14,977	1,759	15,984	1,955
Energy.....	7,128	2,651	7,192	1,836	8,259	598	8,375	754
Health and Human Services, except Social Security.....	7,736	48,461	9,390	57,433	10,726	72,322	11,552	94,251
Health and Human Services, Social Security.....	15,824	30,046	16,864	48,576	18,020	84,192	19,228	128,123
Housing and Urban Development.....	205,381	56,698	208,002	48,162	195,449	38,994	178,871	34,052
Interior.....	2,165	2,095	2,106	2,065	2,299	1,758	2,161	1,605
Justice.....	1,006	350	1,685	536	2,061	391	2,316	498
Labor.....	3,793	25,412	3,705	32,046	3,975	41,183	4,285	49,469
State.....	855	3,958	1,009	4,721	1,554	4,595	2,000	4,568
Transportation.....	38,850	12,034	38,553	12,292	38,975	12,373	36,794	13,780
Treasury.....	1,423	19,387	1,844	20,277	1,871	19,937	3,386	31,520
Environmental Protection Agency.....	8,831	1,046	8,396	1,901	9,211	1,196	9,464	497
General Services Administration.....	375	1,275	750	1,106	975	1,002	1,208	837
National Aeronautics and Space Administration.....	1,640	1,256	2,795	3,298	4,078	1,739	5,043	1,179
Office of Personnel Management.....	2,884	166,458	3,365	183,758	3,079	203,224	3,376	222,882
Small Business Administration.....	421	444	426	785	364	850	300	1,632
Veterans Administration.....	4,217	13,515	4,697	13,269	6,292	13,083	6,873	13,094
Other independent agencies:								
Export-Import Bank.....	1,732	797	1,561	1,093	889	1,207	128	1,669
Federal Home Loan Bank Board.....	6,671	1,084	3,431	1,169	2	6,160	1	9,255
Railroad Retirement Board.....	158	6,289	52	6,781	97	7,499	256	7,684
All other independent agencies.....	17,676	15,840	19,170	17,242	18,034	16,050	16,180	19,063
Allowances ³							—2	
Total.....	625,331	523,209	651,256	576,566	653,507	652,980	639,332	774,454
MEMORANDUM								
Federal funds.....	554,024	188,661	577,745	173,171	578,084	155,712	566,260	163,577
Trust funds.....	71,307	334,548	73,511	403,395	75,423	497,268	73,072	610,877
Total.....	625,331	523,209	651,256	576,566	653,507	652,980	639,332	774,454

^{*} \$500 thousand or less.¹ Includes balances of budget authority that are off-budget under current law.² Includes balances of allowances for the Department of Defense.³ Includes balances of allowances for civilian agencies.

Table 13. RECEIPTS BY SOURCE

(In millions of dollars)

Source	1987 actual	1988 estimate	1989 estimate
Individual income taxes:			
Withheld.....	322,496	325,968	345,491
Other.....	142,957	148,191	144,699
Proposed legislation.....		1	-450
Gross individual income taxes.....	465,453	474,160	489,740
Refunds.....	-72,896	-80,765	-77,387
Net individual income taxes.....	392,557	393,395	412,353
Corporation income taxes:			
Federal funds:			
Existing law.....	102,663	124,380	137,940
Proposed legislation.....		-383	-1,072
Refunds.....	-18,933	-18,763	-19,541
Total Federal funds net corporation income taxes.....	83,730	105,234	117,327
Trust funds:			
Existing law (Hazardous substance superfund).....	196	333	377
Refunds.....			
Total Trust funds net corporation income taxes.....	196	333	377
Total net corporation income taxes.....	83,926	105,567	117,704
Social insurance taxes and contributions (trust funds):			
Employment taxes and contributions:			
Old-age and survivors insurance (Off-budget).....	194,541	218,890	235,872
Disability insurance (Off-budget).....	18,861	21,009	22,609
Hospital insurance.....	55,992	59,718	63,405
Proposed legislation.....			1,615
Railroad retirement:			
Social Security equivalent account.....	1,414	1,274	1,244
Rail pension fund.....	2,220	2,178	2,136
Total employment taxes and contributions.....	273,028	303,069	326,880
On-budget.....	(59,626)	(63,170)	(68,399)
Off-budget.....	(213,402)	(239,899)	(258,481)
Unemployment insurance:			
State taxes deposited in Treasury ¹	19,134	17,510	16,383
Federal unemployment tax receipts ¹	6,080	5,887	6,362
Railroad unemployment tax receipts ¹	204	188	176
Railroad debt repayment ¹	157	142	68
Total unemployment insurance.....	25,575	23,727	22,989
Other retirement contributions:			
Federal employees' retirement—employee contributions.....	4,613	4,619	4,594
Contributions for non-Federal employees ²	102	99	96
Proposed legislation.....			4
Total other retirement contributions.....	4,715	4,717	4,695
Total social insurance taxes and contributions.....	303,318	331,513	354,565
On-budget.....	(89,916)	(91,614)	(96,084)
Off-budget.....	(213,402)	(239,899)	(258,481)
Excise taxes:			
Federal funds:			
Alcohol taxes:			
Distilled spirits.....	4,159	4,154	4,277
Beer.....	1,635	1,663	1,675
Wines.....	320	330	333
Special taxes in connection with liquor occupations.....	21	39	105
Refunds.....	-164	-166	-171

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Table 13. RECEIPTS BY SOURCE—Continued

(In millions of dollars)

Source	1987 actual	1988 estimate	1989 estimate
Total alcohol taxes.....	5,971	6,020	6,219
Tobacco taxes:			
Cigarettes.....	4,697	4,585	4,514
Cigars.....	40	40	40
Cigarette papers and tubes.....	2	2	2
Smokeless tobacco.....	24	24	24
Other.....	8	8	8
Refunds.....	-8	-8	-8
Total tobacco taxes.....	4,763	4,651	4,580
Manufacturers' excise taxes:			
Gasoline.....	1	1	1
Firearms, shells, and cartridges.....	79	80	81
Pistols and revolvers.....	25	26	26
Bows and arrows.....	11	12	12
Gas guzzler tax.....	146	168	178
Refunds.....	-33	-33	-33
Total manufacturers' excise taxes.....	229	254	265
Miscellaneous excise taxes:			
General and toll telephone and teletype service.....	2,522	2,713	2,964
Wagering taxes, including occupational taxes.....	10	8	9
Employee pension plans.....	291	141	37
Tax on foundations.....	232	279	297
Foreign insurance policies.....	115	90	90
Refunds.....	-5	-20	-20
Total miscellaneous excise taxes.....	3,165	3,211	3,377
Undistributed Federal tax deposits and unapplied collections: ^a			
Existing law.....	716	1,630	872
Proposed legislation.....		-17	-24
Total undistributed Federal tax deposits and unapplied collections.....	716	1,613	848
Total Federal fund excise taxes.....	14,844	15,749	15,289
Trust funds:			
Highway:			
Gasoline.....	8,714	9,411	9,213
Trucks, buses, and trailers.....	723	1,306	1,284
Tires, innertubes, and tread rubber.....	292	309	310
Diesel fuel used on highways.....	2,811	2,973	3,155
Use-tax on certain vehicles.....	620	554	557
Refunds.....	-128	-221	-221
Total highway trust fund ⁴	13,032	14,332	14,298
Airport and airway:			
Transportation of persons.....	2,700	2,988	3,240
Waybill tax.....	159	182	198
Tax on fuels.....	116	114	114
International departure tax.....	91	107	111
Refunds.....	-6	-9	-5
Total airport and airway trust fund.....	3,060	3,382	3,658
Aquatic resources trust fund.....	194	199	194
Black lung disability insurance trust fund.....	572	578	603
Inland waterway trust fund.....	48	49	50
Hazardous substances response trust fund.....	635	875	900
Post-closure liability trust fund.....	-1	-19	-
Vaccine injury compensation fund.....		67	89
Leaking underground storage tank trust fund.....	73	130	131

Table 13. RECEIPTS BY SOURCE—Continued

(In millions of dollars)

Source	1987 actual	1988 estimate	1989 estimate
Total trust fund excise taxes	17,613	19,593	19,924
Total excise taxes	32,457	35,342	35,213
Estate and gift taxes	7,493	7,567	7,795
Customs duties:			
Federal funds	15,015	15,542	16,446
Proposed legislation		662	560
Trust funds	70	195	219
Total customs duties	15,085	16,399	17,224
Miscellaneous receipts: ⁵			
Miscellaneous taxes	123	195	203
Deposit of earnings, Federal Reserve System	16,817	16,053	16,421
Alternative fuels production	*		
Fees for permits and regulatory and judicial services:			
Immigration, passport, and consular fees	444	673	464
Patent and copyright fees	*		
Registration and filing fees	368	352	355
Coal mining reclamation fees	214	218	223
Miscellaneous fees for permits, licenses, etc	41	40	41
Miscellaneous fees for regulatory and judicial services	122	429	510
Proposed legislation			48
Fees for legal and judicial services	4	5	5
Total fees for permits and regulatory and judicial services	1,193	1,717	1,645
Fines, penalties, and forfeitures	1,139	1,393	1,530
Restitutions, reparations, and recoveries under military occupation	9	2	2
Gifts and contributions	46	45	44
Refunds and recoveries	-20	-25	-25
Total miscellaneous receipts	19,307	19,380	19,819
Total budget receipts	854,143	909,163	964,674
On-budget	(640,741)	(669,264)	(706,193)
Off-budget	(213,402)	(239,899)	(258,481)
MEMORANDUM			
On-budget:			
Federal funds	537,814	560,756	593,191
Trust funds	216,645	231,517	247,910
Interfund transactions	-113,718	-123,010	-134,909
Total on-budget	640,741	669,264	706,193
Off-budget (trust funds)	213,402	239,899	258,481
Total	854,143	909,163	964,674

* \$500 thousand or less.

¹ Deposits by States are State payroll taxes that cover the benefit part of the program. Federal unemployment tax receipts cover administrative costs at both the Federal and State level. Railroad unemployment tax receipts cover both the benefits and administrative costs of the program for the railroads.² Represents employer and employee contributions to the civil service retirement and disability fund for covered employees of Government-sponsored, privately owned enterprises and the District of Columbia municipal government.³ Includes current and back taxes and refunds for the windfall profit tax.⁴ For 1987, includes \$2 million in fines and penalties not separately shown.⁵ Includes both Federal and trust funds. Trust fund amounts in miscellaneous receipts are: 1987, \$177 million; 1988, \$186 million; and 1989, \$193 million.

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Table 14. OFFSETTING RECEIPTS BY TYPE

(In millions of dollars)

Type	1987 actual	1988 estimate	1989 estimate
INTRAGOVERNMENTAL TRANSACTIONS			
Intrabudgetary transactions:			
Federal intrafund transactions:			
Distributed by agency:			
Interest from the Federal Financing Bank	15,216	15,127	14,224
Interest on Government capital in enterprises	4,413	4,091	4,457
Other	125	255	192
Total Federal intrafunds	19,754	19,473	18,873
Trust intrafund transactions:			
Distributed by agency	10	1	1
Total intrafund transactions	19,764	19,475	18,874
Interfund transactions:			
Distributed by agency:			
Federal fund payments to trust funds:			
Contributions to insurance programs:			
Military retirement fund	10,524	10,285	10,648
Supplementary medical insurance	20,299	25,418	31,380
Hospital insurance	999	1,012	1,056
Railroad social security equivalent benefits	2,330	2,440	2,627
Rail industry pension funds	81	291	1
Civilian supplementary retirement contributions	16,150	16,068	17,193
Unemployment insurance	285	302	320
Other	352	297	373
Miscellaneous contributions	732	491	237
Subtotal	51,752	56,605	63,836
Trust fund payments to Federal funds:			
Repayment of loans or advances to trust funds	4,611	2,951	3,324
Charges for services to trust funds	196	235	243
Other	239	228	227
Subtotal	5,046	3,414	3,795
Total interfunds distributed by agency	56,797	60,019	67,630
Undistributed by agency:			
Employer share, employee retirement (on-budget):			
Civil service retirement and disability insurance	7,212	8,368	8,448
Hospital insurance (contribution as employer) ¹	1,700	1,888	1,945
Military retirement fund	18,288	18,353	18,577
Other Federal employees retirement	59	61	68
Total employer share, employee retirement (on-budget)	27,259	28,670	29,038
Interest received by on-budget trust funds	29,662	34,321	38,240
Total interfund transactions undistributed by agency	56,921	62,991	67,278
Total interfund transactions	113,718	123,010	134,909
Total intrabudgetary transactions	133,482	142,484	153,783
Payments by on-budget accounts to off-budget accounts:			
Interfund transactions:			
Distributed by agency:			
Federal fund payments to trust funds:			
Old-age, survivors, and disability insurance	5,614	5,842	6,347
Undistributed by agency:			
Employer share, employee retirement (off-budget)	3,300	4,298	4,719
Interest received by off-budget trust funds	5,290	7,271	10,136
Total payments by on-budget accounts to off-budget accounts	14,205	17,411	21,201

Table 14. OFFSETTING RECEIPTS BY TYPE—Continued

(In millions of dollars)

Type	1987 actual	1988 estimate	1989 estimate
Payments by off-budget accounts to on-budget accounts:			
Intrafund transactions from off-budget accounts:			
Distributed by agency:			
Payments to railroad retirement ²	2,614	2,890	3,009
Interfund transactions from off-budget accounts:			
Distributed by agency:			
Interest payments to the Treasury	685	820	774
Total payments by off-budget accounts to on-budget accounts	3,299	3,710	3,783
Total intragovernmental transactions	150,986	163,605	178,768
PROPRIETARY RECEIPTS FROM THE PUBLIC			
Distributed by agency:			
Interest:			
Interest on loans, Foreign Assistance Act	359	310	309
Other interest on foreign loans and deferred foreign collections	838	1,022	1,059
Interest on deposits in tax and loan accounts	1,161	1,050	825
Other interest (domestic—civil) ³	747	608	522
Total interest	3,105	2,990	2,715
Dividends and other earnings	26	5	5
Rents:			
Rent and bonuses from land leases, etc	32	59	64
Rent of land and other real property	55	46	47
Rent of equipment and other personal property	15	16	16
Total rents	102	120	128
Royalties	708	805	849
Sale of products:			
Sale of timber and other natural land products	1,035	1,110	1,103
Sale of minerals and mineral products	664	757	760
Sale of power and other utilities	820	922	676
Sale of other products	*	*	*
Recovery of mint manufacturing expense	72	105	72
Total sale of products	2,590	2,894	2,611
Fees and other charges for services and special benefits:			
Medicare premiums and other charges (trust fund)	6,520	8,800	10,476
Revenues for enrichment of uranium	1,155	1,109	1,292
Nuclear waste disposal revenues	441	508	537
Veterans life insurance (trust funds)	442	430	417
Tolls and other revenues, Panama Canal	441	113	
Other ³	1,418	1,701	1,692
Total fees and other charges	10,417	12,661	14,414
Sale of Government property:			
Sale of land and other real property ³	76	228	227
Sale of equipment and other personal property:			
Sale from the stockpile of strategic and critical materials	*		
Military assistance program sales (trust fund)	8,504	8,417	8,062
Sale of scrap and salvage material	61	67	69
Total sale of Government property	8,641	8,712	8,359
Realization upon loans and investments:			
Dollar repayments of loans, Agency for International Development	394	433	410
Foreign military credit sales	464	114	132
Dollar conversion of foreign currency	42	40	40
Repayment of loans to United Kingdom	89	90	92
Other	450	164	159

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Table 14. OFFSETTING RECEIPTS BY TYPE—Continued

(In millions of dollars)

Type	1987 actual	1988 estimate	1989 estimate
Total realization upon loans and investments.....	1,440	841	833
Recoveries and refunds ³	549	530	556
Miscellaneous receipt accounts ³	1,147	1,611	1,011
Total proprietary receipts from the public distributed by agency	28,723	31,170	31,482
Undistributed by agency:			
Other interest: Interest received from Outer Continental Shelf escrow account ...	903		484
Rents and royalties on the Outer Continental Shelf:			
Rents and bonuses.....	1,603	719	1,251
Royalties	2,418	2,436	2,669
Sale of major assets.....	1,875		3,325
Total proprietary receipts from the public undistributed by agency.....	6,799	3,155	7,730
Total proprietary receipts from the public ⁴	35,522	34,325	39,211
Total offsetting receipts.....	186,508	197,930	217,979

* \$500 thousand or less.

¹ Includes provision for covered Federal civilian employees and military personnel.² Interchange receipts between the social security and railroad retirement funds place the social security funds in the same position they would have been if there were no separate railroad retirement system.³ Includes both Federal funds and trust funds.⁴ Consists of:

	1987 actual	1988 estimate	1989 estimate
Federal funds	18,833	15,412	18,983
Trust funds	16,656	18,913	20,228
Off-budget	33		

(In millions of dollars)

		Estimates					
		1988	1989	1990	1991	1992	1993
Department of Agriculture: FmHA rural housing voucher program.....	BA	.....	382	382	382	382	382
	O	.....	4	61	137	214	291
Department of Energy: Strategic Petroleum Reserve	BA	.....	684	793	829	874	781
	O	.....	479	761	818	860	809
Superconducting Super Collider	BA	.....	363	675	475	450	490
	O	.....	230	440	258	350	470
Department of Health and Human Services: Welfare reform.....	BA	.....	274	85	— 17	— 138	— 202
	O	.....	74	49	— 51	— 123	— 187
Catastrophic health insurance	BA	.....	.....	.....	.....	.....	.....
	O	.....	.....	.....	.....	.....	.....
Department of Justice: Prison expansion.....	BA	450	594	651	842	933
	O	228	409	614	843	919

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Department of Labor:										
Worker readjustment program.....	BA	948	980	980	980	980	980	980	980	980
	0	29	795	957	979	980	980	980	980	980
Department of Transportation:										
Operating differential subsidies.....	BA	224	78	75	78	80	80	80	80	80
	0	26	20	-7	25	55	55	55	55	55
NASA:										
Space station.....	BA	567	1,711	2,470	3,065	3,213	3,065	3,213	3,065	3,213
	0	284	1,137	1,946	2,605	3,029	2,605	3,029	2,605	3,029

This proposal would replace existing fragmented assistance programs with one new program that provides job search assistance and training to all dislocated workers regardless of the reason for their unemployment. The new program would serve about 700,000 persons when fully operational.

This proposal assumes enactment of operating differential subsidy reform legislation that would give carriers increased operating flexibility, reduce the amount of subsidy permitted per ship, and permit additional carriers to receive subsidies.

This proposal would continue a strong commitment to the space station to achieve a permanently manned presence in space in the mid-1990s. The Administration is also proposing a three-year advance appropriation commitment from Congress for \$6.0 billion, and, later this year, legislation to establish a total program cost ceiling, as ways to provide program stability and cost-control discipline.

* The table is supplied to meet the requirements of section 221(a) of the Legislative Reorganization Act of 1970 (Public Law 91-510). The economic assumptions used to prepare these estimates are shown in Part 3b of this volume. These estimates do not reflect the effects of experience gained in operating the programs or reductions in the costs of other programs that might come about if the proposals were adopted. Since the assumptions upon which these estimates are based may change, they do not represent a commitment to specific funding levels in future years.

Table 16. CONTROLLABILITY OF OUTLAYS, 1987-89

(Dollar amounts in billions)

	1987 actual	1988 estimate	1989 estimate
Relatively uncontrollable under present law:			
Open-ended programs and fixed costs:			
Payments for individuals:			
Social security and railroad retirement	208.6	220.9	235.0
On-budget	(2.8)	(2.7)	(2.8)
Off-budget	(205.8)	(218.3)	(232.2)
Federal employees' retirement and insurance	55.2	57.7	61.2
Unemployment assistance	15.7	14.4	14.9
Medical care	105.9	114.8	124.7
Assistance to students	3.7	3.7	3.8
Food and nutrition assistance	4.1	4.4	4.7
Public assistance and related programs	25.7	29.9	30.6
All other relatively uncontrollable payments for individuals	2.9	2.8	3.1
Subtotal, payments for individuals	421.7	448.8	478.1
Net interest	138.6	147.9	151.6
On-budget	(143.9)	(155.1)	(161.8)
Off-budget	(-5.3)	(-7.3)	(-10.1)
General revenue sharing .....	.1		
Farm price supports (CCC)	22.4	17.7	17.1
Other open-ended programs and fixed costs	1.3	.2	-4.7
Total, open-ended programs and fixed costs	584.0	614.5	642.2
Outlays from prior-year contracts and obligations: ¹			
National defense	112.7	114.1	117.7
Civilian programs	72.5	70.1	81.2
Total, outlays from prior-year contracts and obligations	185.3	184.3	198.9
Total, relatively uncontrollable outlays	769.3	798.8	841.1
Relatively controllable outlays:			
National defense	169.1	171.1	176.3
Civilian programs	96.8	119.1	110.6
Administrative expenses of relatively uncontrollable payments for individuals	(8.1)	(8.7)	(9.1)
On-budget	(5.8)	(6.5)	(6.8)
Off-budget	(2.3)	(2.3)	(2.4)
Other	(88.7)	(110.3)	(101.5)
Total, relatively controllable outlays ²	265.9	290.1	286.9
Undistributed employer share, employee retirement	-30.6	-33.0	-33.8
On-budget	(-27.3)	(-28.7)	(-29.0)
Off-budget	(-3.3)	(-4.3)	(-4.7)
Total outlays	1,004.6	1,055.9	1,094.2

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Table 16. CONTROLLABILITY OF OUTLAYS, 1987-89—Continued

(Dollar amounts in billions)

	1987 actual	1988 estimate	1989 estimate
MEMORANDUM—Percent of total outlays			
Relatively uncontrollable under present law:			
Open-ended programs and fixed costs:			
Payments for individuals	42.0	42.5	43.7
Other	16.2	15.7	15.0
Total open-ended programs and fixed costs	58.1	58.2	58.7
Outlays from prior-year contracts and obligations	18.4	17.5	18.2
Total relatively uncontrollable outlays	76.6	75.6	76.9
Relatively controllable outlays	26.5	27.5	26.2
Undistributed employer share, employee retirement	—3.0	—3.1	—3.1
Total outlays	100.0	100.0	100.0

¹ Excluding prior year contracts and obligations for activities shown as "open-ended programs and fixed costs."² In addition to amounts provided under current law, includes the effect of proposed legislation as follows: for open-ended programs and fixed costs, —\$2 million in 1988 and —\$3.7 billion in 1989 (all of which is for civilian programs), and for other relatively controllable programs, \$0.7 billion in 1988 and —\$1.6 billion in 1989 (of which —\$0.2 billion in 1989 is for national defense and \$0.7 billion in 1988 and —\$1.4 billion in 1989 is for civilian programs).

Table 17. RECEIPTS BY SOURCE, 1979-89
(In millions of dollars)

Source	Actual										Estimate	
	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	
Individual income taxes	217,841	244,069	285,917	297,744	288,938	298,415	334,531	348,959	392,557	393,395	412,353	
Corporation income taxes	65,677	64,600	61,137	49,207	37,022	56,893	61,331	63,143	83,926	105,567	117,704	
Social insurance taxes and contributions (trust funds):												
Employment taxes and contributions:												
Old-age and survivors insurance (off-budget)	83,410	96,581	117,757	122,840	128,972	150,312	169,822	182,518	194,541	218,890	235,872	
Disability insurance (off-budget)	14,584	16,628	12,418	20,626	18,348	15,763	16,348	17,711	18,861	21,009	22,609	
Hospital insurance	19,874	23,217	30,340	34,301	35,641	40,262	44,871	51,335	55,992	59,718	65,020	
Railroad retirement	2,190	2,323	2,457	2,917	2,805	3,321	3,605	3,498	3,634	3,452	3,380	
Total employment taxes and contributions	120,058	138,748	162,973	180,686	185,766	209,658	234,646	255,062	273,028	303,069	326,880	
Unemployment insurance	15,387	15,336	15,763	16,600	18,799	25,138	25,758	24,098	25,575	23,727	22,989	
Other retirement contributions:												
Federal employees' retirement employee contributions	3,428	3,660	3,908	4,140	4,351	4,494	4,672	4,645	4,613	4,619	4,594	
Contributions for non-Federal employees	66	59	76	72	78	86	87	96	102	99	101	
Total other retirement contributions	3,494	3,719	3,984	4,212	4,429	4,580	4,759	4,742	4,715	4,717	4,695	
Total social insurance taxes and contributions ..	138,939	157,803	182,720	201,498	208,994	239,376	265,163	283,901	303,318	331,513	354,565	
Excise taxes:												
Federal funds:												
Alcohol	5,531	5,601	5,606	5,382	5,557	5,315	5,562	5,828	5,971	6,020	6,219	
Tobacco	2,492	2,443	2,581	2,537	4,136	4,660	4,779	4,589	4,763	4,651	4,580	
Windfall profit tax ¹		6,934	23,252	18,407	12,135	8,906	6,348	2,251				
Other	1,785	585	2,689	2,344	2,258	3,398	2,408	3,385	4,110	5,078	4,490	

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Total Federal fund excise taxes	9,808	15,563	34,128	28,670	24,086	22,279	19,097	16,053	14,844	15,749	15,289
Trust funds:											
Highway	7,189	6,620	6,305	6,744	8,297	11,743	13,015	13,363	13,032	14,332	14,298
Airport and airway	1,526	1,874	21	133	2,165	2,499	2,851	2,736	3,060	3,382	3,658
Other	222	272	385	765	753	840	1,028	767	1,521	1,879	1,967
Total trust fund excise taxes	8,937	8,766	6,711	7,641	11,214	15,082	16,894	16,866	17,613	19,593	19,924
Total excise taxes	18,745	24,329	40,839	36,311	35,300	37,361	35,992	32,919	32,457	35,342	35,213
Estate and gift taxes	5,411	6,389	6,787	7,991	6,053	6,010	6,422	6,958	7,493	7,567	7,795
Customs duties	7,439	7,174	8,083	8,854	8,655	11,370	12,079	13,327	15,085	16,399	17,224
Miscellaneous receipts:											
Deposits of earnings by Federal Reserve System	8,327	-11,767	12,834	15,186	14,492	15,684	17,059	18,374	16,817	16,053	16,421
Other miscellaneous receipts	925	981	956	975	1,108	1,347	1,480	1,510	2,490	3,327	3,398
Total miscellaneous receipts ²	9,252	12,748	13,790	16,161	15,601	17,031	18,539	19,884	19,307	19,380	19,819
Total receipts	463,302	517,112	599,272	617,766	600,562	666,457	734,057	769,091	854,143	909,163	964,674
(on-budget)	(365,309)	(403,903)	(469,097)	(474,299)	(453,242)	(500,382)	(547,886)	(568,862)	(640,741)	(669,264)	(706,193)
(off-budget)	(97,994)	(113,209)	(130,176)	(143,467)	(147,320)	(166,075)	(186,171)	(200,228)	(213,402)	(239,899)	(258,481)
MEMORANDUM											
On-budget:											
Federal funds	316,366	350,856	410,422	409,253	382,323	419,610	459,488	473,484	537,814	560,756	593,191
Trust funds	85,983	94,679	106,037	122,111	147,290	158,079	197,516	206,921	216,645	231,517	247,910
Interfund transactions	-37,041	-41,632	-47,362	-57,065	-76,371	-77,307	-109,118	-111,543	-113,718	-123,010	-134,909
Total on-budget	365,309	403,903	469,097	474,299	453,242	500,382	547,886	568,862	640,741	669,264	706,193
Off-budget (trust funds)	97,994	113,209	130,176	143,467	147,320	166,075	186,171	200,228	213,402	239,899	258,481
Total	463,302	517,112	599,272	617,766	600,562	666,457	734,057	769,091	854,143	909,163	964,674

¹ Net of refunds.² Includes both Federal and trust funds.

Table 18. OUTLAYS BY FUNCTION AND SUBFUNCTION, 1979-89
(In millions of dollars)

Function and subfunction	Actual										Estimate	
	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	
050 NATIONAL DEFENSE:												
051 Department of Defense—Military:												
Military Personnel.....	37,345	40,897	47,941	55,170	60,886	64,158	67,842	71,511	72,020	75,453	77,827	
Operation and Maintenance.....	36,424	44,770	51,864	59,674	64,915	67,369	72,348	75,259	76,205	80,433	82,725	
Procurement.....	25,404	29,021	35,191	43,271	53,624	61,879	70,381	76,517	80,744	79,166	79,820	
Research, Development, Test, and Evaluation.....	11,152	13,127	15,278	17,729	20,554	23,117	27,103	32,283	33,596	33,127	36,295	
Military Construction.....	2,080	2,450	2,458	2,922	3,524	3,706	4,260	5,067	5,853	5,418	5,668	
Family Housing.....	1,468	1,680	1,721	1,993	2,126	2,413	2,642	2,819	2,908	3,022	3,229	
Other ¹	-284	-1,050	-605	-65	-1,236	-1,732	553	1,995	2,640	655	-63	
051 Subtotal, Department of Defense—Military.....	113,589	130,894	153,847	180,694	204,393	220,909	245,130	265,452	273,966	277,275	285,500	
053 Atomic energy defense activities.....	2,541	2,878	3,398	4,309	5,171	6,120	7,098	7,445	7,451	7,631	7,945	
054 Defense-related activities.....	212	224	268	306	339	384	519	479	582	517	575	
TOTAL, 050 NATIONAL DEFENSE.....	116,342	133,995	157,513	185,309	209,903	227,413	252,748	273,375	281,999	285,423	294,020	
150 INTERNATIONAL AFFAIRS:												
151 International development and humanitarian assistance.....	2,910	3,626	4,131	3,772	3,955	4,478	5,409	4,968	4,319	4,744	4,618	
152 International security assistance.....	3,655	4,763	5,095	5,416	6,613	7,924	9,391	10,499	7,106	2,428	5,991	
153 Conduct of foreign affairs.....	1,310	1,366	1,346	1,630	1,766	1,882	2,054	2,280	2,218	2,699	2,769	
154 Foreign information and exchange activities.....	465	534	525	571	602	682	793	907	990	1,119	1,115	
155 International financial programs.....	-881	2,425	2,007	911	-1,089	910	-1,471	-4,501	-2,985	-1,065	-1,160	
TOTAL, 150 INTERNATIONAL AFFAIRS.....	7,459	12,714	13,104	12,300	11,848	15,876	16,176	14,152	11,649	9,926	13,334	

250 GENERAL SCIENCE, SPACE, AND TECHNOLOGY:	251 General science and basic research.....	1,298	1,381	1,477	1,607	1,644	1,849	2,019	2,221	2,260	2,468	2,922
	253 Space flight.....	2,217	2,594	3,053	3,543	4,053	4,028	3,989	3,794	4,137	5,180	6,350
	254 Space, science, applications, and technology.....	1,153	1,346	1,384	1,457	1,486	1,687	1,858	2,127	1,942	2,352	2,673
	255 Supporting space activities.....	567	512	555	593	751	754	761	835	878	903	1,158
	TOTAL, 250 GENERAL SCIENCE, SPACE, AND TECHNOLOGY.....	5,235	5,832	6,469	7,200	7,935	8,317	8,627	8,976	9,216	10,903	13,103
270 ENERGY:	271 Energy supply.....	7,165	8,367	10,202	8,263	6,143	3,255	2,615	2,839	2,318	1,177	915
	272 Energy conservation.....	252	569	730	516	477	527	491	515	281	325	308
	274 Emergency energy preparedness.....	1,021	342	3,280	3,877	1,855	2,518	1,838	597	788	611	1,113
	276 Energy information, policy, and regulation.....	742	878	955	871	878	787	740	785	727	600	724
	TOTAL, 270 ENERGY.....	9,180	10,156	15,166	13,527	9,353	7,086	5,685	4,735	4,115	2,713	3,061
300 NATURAL RESOURCES AND ENVIRONMENT:	301 Water resources.....	3,853	4,223	4,132	3,948	3,904	4,070	4,122	4,041	3,783	4,154	4,298
	302 Conservation and land management.....	821	1,043	1,191	1,084	1,503	1,302	1,481	1,388	1,473	2,483	3,266
	303 Recreational resources.....	1,487	1,677	1,597	1,435	1,454	1,581	1,621	1,513	1,564	1,824	1,589
	304 Pollution control and abatement.....	4,707	5,510	5,170	5,012	4,263	4,044	4,465	4,831	4,869	4,819	5,097
	306 Other natural resources.....	1,266	1,405	1,478	1,519	1,548	1,595	1,668	1,866	1,675	1,860	1,773
TOTAL, 300 NATURAL RESOURCES AND ENVIRONMENT.....	12,135	13,858	13,568	12,998	12,672	12,593	13,357	13,639	13,363	15,139	16,024	
350 AGRICULTURE:	351 Farm income stabilization.....	9,895	7,441	9,783	14,344	21,323	11,877	23,751	29,608	25,492	20,334	19,763
	352 Agricultural research and services.....	1,340	1,398	1,540	1,599	1,578	1,736	1,813	1,841	1,864	2,018	1,969
	TOTAL, 350 AGRICULTURE.....	11,236	8,839	11,323	15,944	22,901	13,613	25,565	31,449	27,356	22,352	21,732

Table 18. OUTLAYS BY FUNCTION AND SUBFUNCTION, 1979-89—Continued
(in millions of dollars)

Function and subfunction	Actual										Estimate	
	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	
370 COMMERCE AND HOUSING CREDIT:												
371 Mortgage credit and deposit insurance.....	2,253	5,602	4,696	4,016	3,880	3,766	871	2,341	3,062	8,205	5,355	
372 Postal Service	896	1,246	1,432	154	1,111	1,239	1,351	758	1,593	2,223	675	
376 Other advancement of commerce	1,537	2,542	2,078	2,085	1,690	1,913	2,007	1,790	1,527	1,936	1,832	
TOTAL, 370 COMMERCE AND HOUSING CREDIT.....	4,686	9,390	8,206	6,256	6,681	6,917	4,229	4,890	6,182	12,364	7,862	
400 TRANSPORTATION:												
401 Ground transportation.....	12,115	15,274	17,074	14,321	14,265	16,158	17,606	18,725	17,157	17,797	17,172	
402 Air transportation.....	3,355	3,723	3,814	3,526	4,000	4,415	4,895	5,287	5,520	6,014	6,603	
403 Water transportation	1,969	2,229	2,381	2,687	2,969	3,010	3,201	3,964	3,461	3,293	3,365	
407 Other transportation	93	104	110	90	99	85	137	140	91	133	141	
TOTAL, 400 TRANSPORTATION	17,532	21,329	23,379	20,625	21,334	23,669	25,838	28,117	26,228	27,237	27,280	
450 COMMUNITY AND REGIONAL DEVELOPMENT:												
OPMENT:												
451 Community development.....	4,000	4,907	5,070	4,608	4,353	4,520	4,598	4,095	3,680	3,768	3,920	
452 Area and regional development	4,868	4,303	3,818	3,841	3,208	3,034	3,117	2,723	1,599	2,500	2,210	
453 Disaster relief and insurance.....	1,611	2,043	1,680	—102	—1	119	—35	416	—229	53	—251	
TOTAL, 450 COMMUNITY AND REGIONAL DEVELOPMENT	10,480	11,252	10,568	8,347	7,560	7,673	7,680	7,233	5,051	6,321	5,879	
500 EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES:												
501 Elementary, secondary, and vocational education	6,123	6,908	7,157	6,780	6,294	6,520	7,633	7,832	7,911	8,614	9,380	
502 Higher education	5,058	6,726	8,866	7,206	7,231	7,383	8,211	8,415	7,406	8,465	11,625	
503 Research and general education aids	1,131	1,197	997	1,041	1,055	1,210	1,121	1,164	1,255	1,407	1,388	

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504 Training and employment	10,833	10,345	9,241	5,464	5,295	4,644	4,972	5,257	5,084	5,221	5,211
505 Other labor services	488	551	587	589	599	639	678	672	675	768	808
506 Social services	6,592	6,116	6,861	5,950	6,133	7,185	6,728	7,246	7,394	9,176	8,951
TOTAL, 500 EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES.....	30,223	31,843	33,709	27,029	26,606	27,579	29,342	30,585	29,724	33,652	37,362
550 HEALTH:											
551 Health care services	15,988	18,003	21,205	21,786	23,008	24,522	26,984	28,850	32,616	36,309	38,637
552 Health research	3,023	3,442	3,836	3,948	3,973	4,379	4,908	5,393	5,599	6,477	7,369
553 Education and training of health care work force	583	719	779	670	578	388	468	529	556	415	465
554 Consumer and occupational health and safety	899	1,006	1,047	1,041	1,081	1,129	1,182	1,165	1,197	1,278	1,300
TOTAL, 550 HEALTH.....	20,494	23,169	26,866	27,445	28,641	30,417	33,542	35,936	39,968	44,479	47,771
570 MEDICARE	26,495	32,090	39,149	46,567	52,588	57,540	65,822	70,164	75,120	78,857	84,015
600 INCOME SECURITY:											
601 General retirement and disability insurance (excluding social security)	4,373	5,083	5,439	5,571	5,581	5,441	5,617	5,330	5,565	4,894	5,200
602 Federal employee retirement and disability	22,658	26,594	31,277	34,325	36,507	38,054	38,591	41,363	43,745	46,163	49,357
603 Unemployment compensation	10,813	18,051	19,656	23,728	31,464	18,421	17,475	17,753	17,080	15,764	16,375
604 Housing assistance	4,367	5,632	7,752	8,738	9,998	11,270	25,263	12,383	12,656	13,833	14,847
605 Food and nutrition assistance	10,787	14,016	16,205	15,581	17,952	18,055	18,540	18,602	18,940	20,530	20,765
609 Other income security	13,361	17,163	19,394	19,774	21,096	21,427	22,715	24,364	25,264	28,376	29,028
TOTAL, 600 INCOME SECURITY	66,359	86,540	99,723	107,717	122,598	112,668	128,200	119,796	123,250	129,560	135,573
650 SOCIAL SECURITY	104,073	118,547	139,584	155,964	170,724	178,223	188,623	198,757	207,353	219,717	233,769
On-budget	(757)	(675)	(670)	(844)	(19,993)	(7,056)	(5,189)	(8,072)	(4,930)	(5,022)	(5,572)
Off-budget	(103,316)	(117,872)	(138,914)	(155,120)	(150,731)	(171,167)	(183,434)	(190,684)	(202,422)	(214,695)	(228,197)
700 VETERANS BENEFITS AND SERVICES:											
701 Income security for veterans	10,780	11,688	12,909	13,710	14,250	14,400	14,714	15,031	14,962	14,943	15,675

Table 18. OUTLAYS BY FUNCTION AND SUBFUNCTION, 1979-89—Continued

(In millions of dollars)

Function and subfunction	Actual							Estimate			
	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
702 Veterans education, training and rehabilitation.....	2,760	2,342	2,254	1,947	1,625	1,359	1,059	526	454	428	472
703 Hospital and medical care for veterans.....	5,611	6,515	6,965	7,517	8,272	8,861	9,547	9,872	10,266	10,828	11,012
704 Veterans housing.....	154	—23	201	102	3	244	214	114	330	654	1,536
705 Other veterans benefits and services.....	627	665	662	682	696	751	758	813	769	896	877
TOTAL, 700 VETERANS BENEFITS AND SERVICES.....	19,931	21,185	22,991	23,958	24,846	25,614	26,292	26,356	26,782	27,748	29,573
750 ADMINISTRATION OF JUSTICE:											
751 Federal law enforcement activities.....	1,992	2,237	2,437	2,529	2,887	3,205	3,526	3,632	4,105	4,953	5,207
752 Federal litigative and judicial activities.....	1,130	1,347	1,491	1,517	1,627	1,825	2,064	2,176	2,482	2,809	3,280
753 Federal correctional activities.....	337	342	361	364	418	494	537	614	711	842	1,112
754 Criminal justice assistance.....	710	656	473	294	167	136	150	181	250	366	295
TOTAL, 750 ADMINISTRATION OF JUSTICE.....	4,169	4,582	4,762	4,703	5,099	5,660	6,277	6,603	7,548	8,970	9,894
800 GENERAL GOVERNMENT:											
801 Legislative functions.....	921	1,038	1,041	1,181	1,196	1,319	1,355	1,383	1,444	1,574	1,755
802 Executive direction and management.....	81	97	100	96	96	97	113	109	110	123	133
803 Central fiscal operations.....	2,174	2,614	2,616	2,593	3,053	3,254	3,485	3,605	3,918	5,304	5,443
804 General property and records management.....	299	327	144	238	196	201	96	475	146	—24	66
805 Central personnel management.....	127	154	159	136	115	139	164	126	143	145	134
806 General purpose fiscal assistance.....	8,369	8,582	6,854	6,390	6,452	6,768	6,353	6,431	1,621	1,804	1,828
808 Other general government.....	523	569	745	504	768	557	521	482	810	969	632
809 Deductions for offsetting receipts.....	—198	—351	—222	—216	—636	—513	—506	—78	—623	—1,098	—500
TOTAL, 800 GENERAL GOVERNMENT.....	12,297	13,030	11,436	10,922	11,241	11,821	11,582	12,533	7,569	8,796	9,492

[illegible]

Table 18. OUTLAYS BY FUNCTION AND SUBFUNCTION, 1979-89—Continued
(In millions of dollars)

Function and subfunction	Actual										Estimate	
	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	
950 UNDISTRIBUTED OFFSETTING RECEIPTS:												
951 Employer share, employee retirement (on-budget)	-13,095	-14,638	-16,473	-18,203	-21,706	-23,219	-24,648	-25,434	-27,259	-28,670	-29,038	
952 Employer share, employee retirement (off-budget)	-1,114	-1,204	-1,430	-1,646	-1,778	-2,044	-2,509	-2,857	-3,300	-4,298	-4,719	
953 Rents and royalties on the Outer Continental Shelf	-3,267	-4,101	-10,138	-6,250	-10,491	-6,694	-5,542	-4,716	-4,021	-3,155	-3,920	
954 Sale of major assets									-1,875		-3,325	
TOTAL, 950 UNDISTRIBUTED OFFSETTING RECEIPTS	-17,476	-19,942	-28,041	-26,099	-33,976	-31,957	-32,698	-33,007	-36,455	-36,123	-41,002	
On-budget	(-16,362)	(-18,738)	(-26,611)	(-24,453)	(-32,198)	(-29,913)	(-30,189)	(-30,150)	(-33,155)	(-31,825)	(-36,283)	
Off-budget	(-1,114)	(-1,204)	(-1,430)	(-1,646)	(-1,778)	(-2,044)	(-2,509)	(-2,857)	(-3,300)	(-4,298)	(-4,719)	
TOTAL OUTLAYS	503,464	590,920	678,209	745,706	808,327	851,781	946,316	990,258	1,004,586	1,055,904	1,094,215	
On-budget	(403,486)	(476,591)	(543,013)	(594,302)	(661,219)	(685,968)	(769,509)	(806,760)	(810,754)	(852,778)	(880,873)	
Off-budget	(99,978)	(114,329)	(135,196)	(151,404)	(147,108)	(165,813)	(176,807)	(183,498)	(193,832)	(203,126)	(213,342)	
MEMORANDUM												
On-budget:												
Federal funds	374,867	433,468	496,182	543,437	613,168	637,839	725,897	756,474	760,916	804,961	835,348	
Trust funds	65,660	84,756	94,193	107,930	124,421	125,436	152,730	161,829	163,556	170,827	180,434	
Interfund transactions	-37,041	-41,632	-47,362	-57,065	-76,371	-77,307	-109,118	-111,543	-113,718	-123,010	-134,909	
Total on-budget	403,486	476,591	543,013	594,302	661,219	685,968	769,509	806,760	810,754	852,778	880,873	
Off-budget (trust funds)	99,978	114,329	135,196	151,404	147,108	165,813	176,807	183,498	193,832	203,126	213,342	
Total	503,464	590,920	678,209	745,706	808,327	851,781	946,316	990,258	1,004,586	1,055,904	1,094,215	

¹ Includes allowances for the Department of Defense.

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Table 19. FEDERAL FINANCES AND THE GROSS NATIONAL PRODUCT, 1970-91

(Dollar amounts in billions)

Fiscal year	Gross national product	Receipts			Outlays		
		Total		Off-budget ¹	Total		Off-budget ¹
		Amount	Percent of GNP		Amount	Percent of GNP	
1970	990.2	192.8	19.5	159.3	33.5	3.4	195.6
1971	1,055.9	187.1	17.7	151.3	35.8	3.4	210.2
1972	1,153.1	207.3	18.0	167.4	39.9	3.5	230.7
1973	1,281.4	230.8	18.0	184.7	46.1	3.6	245.7
1974	1,416.5	263.2	18.6	209.3	53.9	3.8	269.4
1975	1,522.5	279.1	18.3	216.6	62.5	4.1	332.3
1976	1,698.2	298.1	17.6	231.7	66.4	3.9	371.8
1977	1,933.0	355.6	18.4	278.7	76.8	4.0	409.2
1978	2,171.8	399.6	18.4	314.2	85.4	3.9	458.7
1979	2,447.8	463.3	18.9	365.3	98.0	4.0	503.5
1980	2,670.6	517.1	19.4	403.9	113.2	4.2	590.9
1981	2,986.4	599.3	20.1	469.1	130.2	4.4	678.2
1982	3,139.1	617.8	19.7	474.3	143.5	4.6	745.7
1983	3,321.9	600.6	18.1	453.2	147.3	4.4	808.3
1984	3,687.6	666.5	18.1	500.4	166.1	4.5	851.8
1985	3,943.6	734.1	18.6	547.9	185.2	4.7	946.3
1986	4,192.4	769.1	18.3	568.9	200.2	4.8	990.3
1987	4,408.7	854.1	19.4	640.7	213.4	4.8	1,004.6
1988 estimate	4,705.8	909.2	19.3	669.3	239.9	5.1	1,055.9
1989 estimate	5,023.3	964.7	19.2	706.2	258.5	5.1	1,094.2
1990 estimate	5,387.8	1,044.1	19.4	761.7	282.4	5.2	1,148.3
1991 estimate	5,758.6	1,124.4	19.5	818.5	306.0	5.3	1,203.7

Table 19. FEDERAL FINANCES AND THE GROSS NATIONAL PRODUCT, 1970-91—Continued

(Dollar amounts in billions)

Fiscal year	Gross national product	Surplus or deficit (—)				Off-budget ¹				Federal debt, end of year			
		Total		On-budget		Amount		Percent of GNP		Gross		Held by Government accounts	
		Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP
1970	990.2	-2.8	0.3	-8.7	0.9	5.9	0.6	382.6	38.6	97.7	9.9	284.9	28.8
1971	1,055.9	-23.0	2.2	-26.1	2.5	3.0	0.3	409.5	38.8	105.1	10.0	304.3	28.8
1972	1,153.1	-23.4	2.0	-26.4	2.3	3.1	0.3	437.3	37.9	113.6	9.8	323.8	28.1
1973	1,281.4	-14.9	1.2	-15.4	1.2	0.5	*	468.4	36.6	125.4	9.8	343.0	26.8
1974	1,416.5	-6.1	0.4	-8.0	0.6	1.8	0.1	486.2	34.3	140.2	9.9	346.1	24.4
1975	1,522.5	-53.2	3.5	-55.3	3.6	2.0	0.1	544.1	35.7	147.2	9.7	396.9	26.1
1976	1,698.2	-73.7	4.3	-70.5	4.2	-3.2	0.2	631.9	37.2	151.6	8.9	480.3	28.3
1977	1,933.0	-53.6	2.8	-49.7	2.6	-3.9	0.2	709.1	36.7	157.3	8.1	551.8	28.5
1978	2,171.8	-59.2	2.7	-54.9	2.5	-4.3	0.2	780.4	35.9	169.5	7.8	610.9	28.1
1979	2,447.8	-40.2	1.6	-38.2	1.6	-2.0	0.1	833.8	34.1	189.2	7.7	644.6	26.3
1980	2,670.6	-73.8	2.8	-72.7	2.7	-1.1	*	914.3	34.2	199.2	7.5	715.1	26.8
1981	2,986.4	-78.9	2.6	-73.9	2.5	-5.0	0.2	1,003.9	33.6	209.5	7.0	794.4	26.6
1982	3,139.1	-127.9	4.1	-120.0	3.8	-7.9	0.3	1,147.0	36.5	217.6	6.9	929.4	29.6
1983	3,321.9	-207.8	6.3	-208.0	6.3	0.2	*	1,381.9	41.6	240.1	7.2	1,141.8	34.4
1984	3,687.6	-185.3	5.0	-185.6	5.0	0.3	*	1,576.7	42.8	264.2	7.2	1,312.6	35.6
1985	3,943.6	-212.3	5.4	-221.6	5.6	9.4	0.2	1,827.5	46.3	317.6	8.1	1,509.9	38.3
1986	4,192.4	-221.2	5.3	-237.9	5.7	16.7	0.4	2,130.0	50.8	383.9	9.2	1,746.1	41.6
1987	4,408.7	-150.4	3.4	-170.0	3.9	19.6	0.4	2,355.3	53.4	457.4	10.4	1,897.8	43.0
1988 estimate	4,705.8	-146.7	3.1	-183.5	3.9	36.8	0.8	2,581.6	54.9	556.5	11.8	2,025.1	43.0
1989 estimate	5,023.3	-129.5	2.6	-174.7	3.5	45.1	0.9	2,825.3	56.2	673.2	13.4	2,152.1	42.8
1990 estimate	5,387.8	-104.2	1.9	-162.5	3.0	58.3	1.1	3,053.0	56.7	797.3	14.8	2,255.7	41.9
1991 estimate	5,758.6	-79.3	1.4	-149.1	2.6	69.9	1.2	3,269.2	56.8	934.7	16.2	2,334.4	40.5

* 0.05% or less. ¹ Social Security trust funds. Note: Excludes transition quarter.

Table 20. COMPOSITION OF RECEIPTS AND OUTLAYS IN CURRENT PRICES: 1972-91

(In billions of dollars)

Fiscal year	Receipts	Outlays								Surplus or deficit (—)	
		Total	National defense	Nondefense					Other		Undistrib- uted offsetting receipts
				Total nondefense	Payments for individuals	All other grants ¹	Net Interest				
1972.....	207.3	230.7	79.2	151.5	92.9	20.5	15.5	32.2	—9.6	—23.4	
1973.....	230.8	245.7	76.7	169.0	104.5	28.1	17.3	32.4	—13.4	—14.9	
1974.....	263.2	269.4	79.3	190.0	120.1	28.7	21.4	36.5	—16.7	—6.1	
1975.....	279.1	332.3	86.5	245.8	153.5	33.3	23.2	49.4	—13.6	—53.2	
1976.....	298.1	371.8	89.6	282.2	180.1	39.4	26.7	50.3	—14.4	—73.7	
1977.....	355.6	409.2	97.2	312.0	196.3	46.1	29.9	54.5	—14.9	—53.6	
1978.....	399.6	458.7	104.5	354.2	211.0	53.7	35.4	69.9	—15.7	—59.2	
1979.....	463.3	503.5	116.3	387.1	232.9	55.9	42.6	73.2	—17.5	—40.2	
1980.....	517.1	590.9	134.0	456.9	277.5	59.4	52.5	87.4	—19.9	—73.8	
1981.....	599.3	678.2	157.5	520.7	323.4	57.8	68.7	98.8	—28.0	—78.9	
1982.....	617.8	745.7	185.3	560.4	356.7	50.3	85.0	94.5	—26.1	—127.9	
1983.....	600.6	808.3	209.9	598.4	395.4	50.8	89.8	96.5	—34.0	—207.8	
1984.....	666.5	851.8	227.4	624.4	399.8	53.2	111.1	92.2	—32.0	—185.3	
1985.....	734.1	946.3	252.7	693.6	425.6	57.6	129.4	113.6	—32.7	—212.3	
1986.....	769.1	990.3	273.4	716.9	449.4	59.3	136.0	105.1	—33.0	—221.2	
1987.....	854.1	1,004.6	282.0	722.6	469.4	51.8	138.6	99.2	—36.5	—150.4	
1988 estimate.....	909.2	1,055.9	285.4	770.5	498.9	55.5	147.9	104.4	—36.1	—146.7	
1989 estimate.....	964.7	1,094.2	294.0	800.2	531.4	55.0	151.8	103.0	—41.0	—129.5	
1990 estimate.....	1,044.1	1,148.3	306.2	842.1	566.7	55.1	156.7	105.8	—42.2	—104.2	
1991 estimate.....	1,124.4	1,203.7	320.2	883.5	602.4	53.9	159.6	110.3	—42.7	—79.3	

¹ Grants to State and local governments excluding those for payments for individuals.
Note: Excludes transition quarter. Includes off-budget amounts.

Table 21. COMPOSITION OF RECEIPTS AND OUTLAYS IN CONSTANT (FISCAL YEAR 1982) PRICES: 1972-91

(In billions of dollars)

Fiscal year	Receipts	Outlays							Surplus or deficit (—)	
		Total	National defense	Nondense						
				Total nondense	Payments for individuals	All other grants ¹	Net Interest	Other		Undistrib- uted offsetting receipts
1972.....	474.2	527.6	190.9	336.7	200.1	47.4	33.6	79.7	—24.1	—53.3
1973.....	495.5	527.5	175.1	352.4	215.7	60.5	35.9	68.3	—28.1	—32.0
1974.....	516.6	528.7	163.3	365.3	228.4	56.8	41.1	71.8	—32.8	—12.0
1975.....	492.1	586.0	159.8	426.2	265.8	58.5	40.4	84.9	—23.4	—93.9
1976.....	488.9	609.8	153.6	456.2	291.7	64.3	43.0	80.1	—22.9	—120.9
1977.....	541.0	622.6	154.3	468.3	295.5	70.1	44.6	79.9	—21.7	—81.6
1978.....	568.0	652.2	155.0	497.1	296.8	75.7	49.4	96.9	—21.7	—84.1
1979.....	607.5	660.2	159.1	501.0	301.6	71.8	54.7	95.9	—22.9	—52.7
1980.....	611.7	699.1	164.0	535.1	324.7	68.4	62.0	103.8	—23.8	—87.3
1981.....	642.0	726.5	171.4	555.2	344.3	61.3	73.7	106.0	—30.1	—84.6
1982.....	617.8	745.7	185.3	560.4	356.7	50.3	85.0	94.5	—26.1	—127.9
1983.....	575.5	774.6	201.3	573.3	378.6	48.8	86.1	92.0	—32.3	—199.1
1984.....	616.3	787.7	211.3	576.4	368.7	49.3	102.7	84.9	—29.1	—171.4
1985.....	657.8	848.0	229.4	618.7	379.7	50.9	115.9	101.0	—28.8	—190.2
1986.....	672.3	865.7	243.0	622.7	390.4	50.6	118.4	91.6	—28.4	—193.3
1987.....	730.6	859.3	249.8	609.5	394.9	43.0	117.5	84.7	—30.5	—128.7
1988 estimate.....	748.9	869.8	243.5	626.3	404.7	44.1	120.9	86.1	—29.5	—120.9
1989 estimate.....	765.6	868.4	241.6	626.8	415.3	42.2	119.5	82.0	—32.2	—102.8
1990 estimate.....	799.5	879.2	242.7	636.6	427.5	40.6	119.1	81.4	—32.0	—79.8
1991 estimate.....	832.9	891.6	245.6	646.1	439.9	38.3	117.4	82.2	—31.7	—58.7

¹ Grants to State and local governments excluding those for payments for individuals.
 Note: Excludes transition quarter. Includes off-budget amounts.

Table 22. DIRECT LOAN OBLIGATIONS AND GUARANTEED LOAN COMMITMENTS
BY SECTOR, 1979-1993

(In millions of dollars)

Fiscal Year	Sector					Total
	Agriculture	Business	Education	Housing	Other	
DIRECT LOAN OBLIGATIONS						
1979.....	15,536	14,954	659	7,765	318	39,232
1980.....	12,939	13,107	689	9,083	380	36,198
1981.....	15,689	13,598	1,077	9,644	334	40,342
1982.....	16,779	10,708	504	8,229	230	36,450
1983.....	18,413	10,665	723	6,952	356	37,109
1984.....	10,273	18,841	978	6,428	226	36,746
1985.....	16,631	14,203	1,315	18,882	1,816	52,847
1986.....	21,753	13,479	1,582	3,823	693	41,329
1987.....	20,507	5,830	60	3,365	55	29,817
1988 estimate.....	19,335	5,900	62	3,470	50	28,817
1989 estimate.....	12,562	5,978	.....	1,430	34	20,005
1990 estimate.....	12,552	6,050	.....	1,248	28	19,877
1991 estimate.....	11,771	6,256	.....	1,149	19	19,195
1992 estimate.....	10,940	6,243	.....	1,121	18	18,321
1993 estimate.....	11,700	6,297	.....	1,080	17	19,094
GUARANTEED LOAN COMMITMENTS						
1979.....	1,629	20,295	2,230	64,777	50	88,981
1980.....	2,177	20,449	3,712	61,881	*	88,219
1981.....	2,933	20,711	5,807	53,992	55	83,498
1982.....	1,747	10,798	6,395	37,860	28	56,828
1983.....	4,822	11,826	7,487	73,567	19	97,721
1984.....	4,746	10,883	7,847	47,289	19	70,784
1985.....	3,910	12,018	9,159	59,581	42	84,710
1986.....	4,118	9,169	8,949	136,889	118	159,243
1987.....	4,678	12,470	9,951	114,895	69	142,064
1988 estimate.....	8,389	26,603	9,926	78,137	178	123,233
1989 estimate.....	7,196	18,119	10,216	79,730	45	115,306
1990 estimate.....	7,371	19,137	10,621	80,951	45	118,125
1991 estimate.....	7,546	16,045	11,127	82,282	45	117,045
1992 estimate.....	7,946	16,196	11,639	84,109	45	119,935
1993 estimate.....	7,946	16,321	12,300	86,268	45	122,880

* \$500 thousand or less.

Table 23. DIRECT LOAN OBLIGATIONS AND GUARANTEED LOAN COMMITMENTS, 1951-1993

(In millions of dollars)

Fiscal year	Direct loan obligations	Guaranteed loan commitments	Fiscal year	Direct loan obligations	Guaranteed loan commitments
1951.....	3,057	8,462	1973.....	20,548	36,411
1952.....	3,274	9,702	1974.....	18,645	30,800
1953.....	3,501	9,513	1975.....	28,245	38,659
1954.....	2,534	11,792	1976.....	24,813	36,205
1955.....	2,537	14,808	TQ.....	5,433	9,073
1956.....	2,495	15,934	1977.....	25,411	64,979
1957.....	4,962	13,226	1978.....	36,339	68,838
1958.....	5,480	12,342	1979.....	39,232	88,981
1959.....	5,729	15,099	1980.....	36,198	88,219
1960.....	4,484	15,365	1981.....	40,342	83,498
1961.....	5,318	14,654	1982.....	36,450	56,828
1962.....	6,814	17,682	1983.....	37,109	97,721
1963.....	7,048	19,475	1984.....	36,746	70,784
1964.....	7,241	21,516	1985.....	52,847	84,710
1965.....	7,388	23,021	1986.....	41,329	159,243
1966.....	8,081	24,268	1987.....	29,817	142,064
1967.....	14,035	16,885	1988 estimate.....	28,817	123,233
1968.....	17,098	21,891	1989 estimate.....	20,005	115,306
1969.....	13,290	25,303	1990 estimate.....	19,877	118,125
1970.....	12,127	27,482	1991 estimate.....	19,195	117,045
1971.....	12,295	38,547	1992 estimate.....	18,321	119,935
1972.....	15,047	44,806	1993 estimate.....	19,094	122,880

TQ refers to the transitional quarter from July 1 to September 30, 1976.

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Table 24. TOTAL RECEIPTS AND OUTLAYS, 1789-1993 (In millions of dollars)

Fiscal year	Receipts	Outlays	Surplus or deficit (-)	Fiscal year	Receipts	Outlays	Surplus or deficit (-)
1789-1849 ...	1,160	1,090	+70	1947.....	38,514	34,496	+4,018
1850-1900 ...	14,462	15,453	-991	1948.....	41,560	29,764	+11,796
1901.....	588	525	+63	1949.....	39,415	38,835	+580
1902.....	562	485	+77	1950.....	39,443	42,562	-3,119
1903.....	562	517	+45	1951.....	51,616	45,514	+6,102
1904.....	541	584	-43	1952.....	66,167	67,686	-1,519
1905.....	544	567	-23	1953.....	69,608	76,101	-6,493
1906.....	595	570	+25	1954.....	69,701	70,855	-1,154
1907.....	666	579	+87	1955.....	65,451	68,444	-2,993
1908.....	602	659	-57	1956.....	74,587	70,640	+3,947
1909.....	604	694	-89	1957.....	79,990	76,578	+3,412
1910.....	676	694	-18	1958.....	79,636	82,405	-2,769
1911.....	702	691	+11	1959.....	79,249	92,098	-12,849
1912.....	693	690	+3	1960.....	92,492	92,191	+301
1913.....	714	715	-*	1961.....	94,388	97,723	-3,335
1914.....	725	726	-*	1962.....	99,676	106,821	-7,146
1915.....	683	746	-63	1963.....	106,560	111,316	-4,756
1916.....	761	713	+48	1964.....	112,613	118,528	-5,915
1917.....	1,101	1,954	-853	1965.....	116,817	118,228	-1,411
1918.....	3,645	12,677	-9,032	1966.....	130,835	134,532	-3,698
1919.....	5,130	18,493	-13,363	1967.....	148,822	157,464	-8,643
1920.....	6,649	6,358	+291	1968.....	152,973	178,134	-25,161
1921.....	5,571	5,062	+509	1969.....	186,882	183,640	+3,242
1922.....	4,026	3,289	+736	1970.....	192,807	195,649	-2,842
1923.....	3,853	3,140	+713	1971.....	187,139	210,172	-23,033
1924.....	3,871	2,908	+963	1972.....	207,309	230,681	-23,373
1925.....	3,641	2,924	+717	1973.....	230,799	245,707	-14,908
1926.....	3,795	2,930	+865	1974.....	263,224	269,359	-6,135
1927.....	4,013	2,857	+1,155	1975.....	279,090	332,332	-53,242
1928.....	3,900	2,961	+939	1976.....	298,060	371,779	-73,719
1929.....	3,862	3,127	+734	TQ.....	81,232	95,973	-14,741
1930.....	4,058	3,320	+738	1977.....	355,559	409,203	-53,644
1931.....	3,116	3,577	-462	1978.....	399,561	458,729	-59,168
1932.....	1,924	4,659	-2,735	1979.....	463,302	503,464	-40,162
1933.....	1,997	4,598	-2,602	1980.....	517,112	590,920	-73,808
1934.....	2,955	6,541	-3,586	1981.....	599,272	678,209	-78,936
1935.....	3,609	6,412	-2,803	1982.....	617,766	745,706	-127,940
1936.....	3,923	8,228	-4,304	1983.....	600,562	808,327	-207,764
1937.....	5,387	7,580	-2,193	1984.....	666,457	851,781	-185,324
1938.....	6,751	6,840	-89	1985.....	734,057	946,316	-212,260
1939.....	6,295	9,141	-2,846	1986.....	769,091	990,258	-221,167
1940.....	6,548	9,468	-2,920	1987.....	854,143	1,004,586	-150,444
1941.....	8,712	13,653	-4,941	1988 est.....	909,163	1,055,904	-146,741
1942.....	14,634	35,137	-20,503	1989 est.....	964,674	1,094,215	-129,542
1943.....	24,001	78,555	-54,554	1990 est.....	1,044,091	1,148,277	-104,185
1944.....	43,747	91,304	-47,557	1991 est.....	1,124,407	1,203,675	-79,268
1945.....	45,159	92,712	-47,553	1992 est.....	1,189,924	1,240,978	-51,053
1946.....	39,296	55,232	-15,936	1993 est.....	1,258,071	1,281,337	-23,266

* \$500 thousand or less.

Data for 1789-1933 are for the administrative budget; data for 1934 and all following years are for the unified budget.

Beginning in 1937, includes amounts for social security trust funds that are off-budget. See table 25 for details.

In calendar year 1976, the Federal fiscal year was converted from a July 1-June 30 basis to an Oct. 1-Sept. 30 basis. The TQ refers to the transition quarter from July 1 to Sept. 30, 1976.

Table 25. ON-BUDGET AND OFF-BUDGET RECEIPTS AND OUTLAYS, 1937-1993

(In millions of dollars)

Fiscal year	On-budget			Fiscal year	Off-budget		
	Receipts	Outlays	Surplus or deficit (-)		Receipts	Outlays	Surplus or deficit (-)
1937	5,122	7,582	-2,460	1937	265	-2	+267
1938	6,364	6,850	-486	1938	387	-10	+397
1939	5,792	9,154	-3,362	1939	503	-13	+516
1940	5,998	9,482	-3,484	1940	550	-14	+564
1941	8,024	13,618	-5,594	1941	688	35	+653
1942	13,738	35,071	-21,333	1942	896	66	+830
1943	22,871	78,466	-55,595	1943	1,130	89	+1,041
1944	42,455	91,190	-48,735	1944	1,292	114	+1,178
1945	43,849	92,569	-48,720	1945	1,310	143	+1,167
1946	38,057	55,022	-16,964	1946	1,238	210	+1,028
1947	37,055	34,193	+2,861	1947	1,459	303	+1,157
1948	39,944	29,396	+10,548	1948	1,616	368	+1,248
1949	37,724	38,408	-684	1949	1,690	427	+1,263
1950	37,336	42,038	-4,702	1950	2,106	524	+1,583
1951	48,496	44,237	+4,259	1951	3,120	1,277	+1,843
1952	62,573	65,956	-3,383	1952	3,594	1,730	+1,864
1953	65,511	73,771	-8,259	1953	4,097	2,330	+1,766
1954	65,112	67,943	-2,831	1954	4,589	2,912	+1,677
1955	60,370	64,461	-4,091	1955	5,081	3,983	+1,098
1956	68,162	65,668	+2,494	1956	6,425	4,972	+1,452
1957	73,201	70,562	+2,639	1957	6,789	6,016	+773
1958	71,587	74,902	-3,315	1958	8,049	7,503	+546
1959	70,953	83,102	-12,149	1959	8,296	8,996	-700
1960	81,851	81,341	+510	1960	10,641	10,850	-209
1961	82,279	86,046	-3,766	1961	12,109	11,677	+431
1962	87,405	93,286	-5,881	1962	12,271	13,535	-1,265
1963	92,385	96,352	-3,966	1963	14,175	14,964	-789
1964	96,248	102,794	-6,546	1964	16,366	15,734	+632
1965	100,094	101,699	-1,605	1965	16,723	16,529	+194
1966	111,749	114,817	-3,068	1966	19,085	19,715	-630
1967	124,420	137,040	-12,620	1967	24,401	20,424	+3,978
1968	128,056	155,798	-27,742	1968	24,917	22,336	+2,581
1969	157,928	158,436	-507	1969	28,953	25,204	+3,749
1970	159,348	168,042	-8,694	1970	33,459	27,607	+5,852
1971	151,294	177,346	-26,052	1971	35,845	32,826	+3,019
1972	167,402	193,824	-26,423	1972	39,907	36,857	+3,050
1973	184,715	200,118	-15,403	1973	46,084	45,589	+495
1974	209,299	217,270	-7,971	1974	53,925	52,089	+1,836
1975	216,633	271,892	-55,260	1975	62,458	60,440	+2,018
1976	231,671	302,170	-70,499	1976	66,389	69,609	-3,220
TQ	63,216	76,552	-13,336	TQ	18,016	19,421	-1,405
1977	278,741	328,487	-49,745	1977	76,817	80,716	-3,899
1978	314,169	369,072	-54,902	1978	85,391	89,657	-4,266
1979	365,309	403,486	-38,178	1979	97,994	99,978	-1,984
1980	403,903	476,591	-72,689	1980	113,209	114,329	-1,120
1981	469,097	543,013	-73,916	1981	130,176	135,196	-5,020

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Table 25. ON-BUDGET AND OFF-BUDGET RECEIPTS AND OUTLAYS, 1937-1993—Continued

(In millions of dollars)

Fiscal year	On-budget			Fiscal year	Off-budget		
	Receipts	Outlays	Surplus or deficit (—)		Receipts	Outlays	Surplus or deficit (—)
1982	474,299	594,302	—120,003	1982	143,467	151,404	—7,937
1983	453,242	661,219	—207,977	1983	147,320	147,108	+212
1984	500,382	685,968	—185,586	1984	166,075	165,813	+262
1985	547,886	769,509	—221,623	1985	186,171	176,807	+9,363
1986	568,862	806,760	—237,898	1986	200,228	183,498	+16,731
1987	640,741	810,754	—170,014	1987	213,402	193,832	+19,570
1988 est	669,264	852,778	—183,514	1988 est	239,899	203,126	+36,773
1989 est	706,193	880,873	—174,680	1989 est	258,481	213,342	+45,139
1990 est	761,716	924,176	—162,460	1990 est	282,375	224,100	+58,275
1991 est	818,451	967,599	—149,148	1991 est	305,956	236,076	+69,880
1992 est	865,015	995,979	—130,963	1992 est	324,909	244,999	+79,910
1993 est	911,340	1,027,497	—116,158	1993 est	346,731	253,840	+92,891

Data for all years for the unified budget. Transactions of the social security trust funds are presented off-budget for all years. In calendar year 1976, the Federal fiscal year was converted from a July 1-June 30 basis to an Oct. 1-Sept. 30 basis. The TQ refers to the transition quarter from July 1 to Sept. 30, 1976.

EXPLANATION OF ESTIMATES

Part I contains various tables and certain schedules in support of the budget, including explanatory statements of the work to be performed and the money needed, as well as the text of the language proposed for enactment by Congress on each item for which congressional action in an appropriation bill is required. It also contains the text of general provisions of appropriations acts, proposed for enactment by the Congress, that apply to entire agencies or groups of agencies.

ARRANGEMENT

The chapters of Part I reflect the branches of Government, and the cabinet departments, selected independent agencies, and other activities of the executive branch. Most of the smaller agencies in the executive branch are grouped in one chapter—"Other independent agencies."

Each chapter is organized by major subordinate organizations within the agency (usually bureaus) or by major program area. For each bureau or major program area, *Federal funds*, covering the funds that are not set aside in "trust," precede *trust funds*, covering moneys that are held by the Government in accounts established by law or by trust agreement for specific purposes and designated by law as being trust funds. Within each fund group, accounts with new budget authority in 1989 generally will precede those without such an entry. By law, the Old-Age and Survivors Insurance and Disability Insurance trust funds are outside the budget totals. In this volume, these accounts are presented in a separate chapter, Health and Human Services, Social Security.

The proposed language for *general provisions* of appropriations acts that are applicable to the agency in that chapter appear in a separate section at the end of the chapter. General provisions that apply to specified groups of agencies are placed in the chapter covering the first agency that appears in the respective appropriations act. The general provisions that are Government-wide in scope (identified "Departments, Agencies, and Corporations"), normally contained in the Treasury, Postal Service, and General Government Appropriations Act, are placed at the end of the Executive Office of the President chapter.

An explanation of the types of funds included in the budget may be found in Part 6e, "The Budget System and Concepts," in *The Budget of the United States Government, 1989*.

FORM OF DETAILED MATERIAL

APPROPRIATIONS LANGUAGE

The language proposed for inclusion in the 1989 appropriations acts is printed following the account title. Language for 1988 appropriations, printed in roman type, is used as a base. All language for accounts receiving appropriations in 1988 is based on language included in a continuing resolution for 1988 (Public Law 100-

202). Brackets enclose material that is proposed for deletion; italic type indicates proposed new language. At the end of the final language paragraph, and printed in italics within parentheses, are citations to any relevant authorizing legislation and to the specific appropriations act (as included in the continuing resolution) from which the basic text of the 1988 language is taken. Where appropriate, a note follows the language indicating that the budget authority proposed is for continuing activities for which additional appropriations authorization is or has been proposed. An illustration of proposed appropriations language for 1989 follows:

OPERATING EXPENSES

For necessary expenses of the Office of Climate Information, **[\$29,440,000]** \$28,920,000 of which **[\$150,000]** \$400,000 shall remain available until expended. (34 U.S.C. 218 et seq.; Department of Government Appropriation Act, 1988.)

BASIS FOR SCHEDULES

The 1987 column of this budget generally presents the actual transactions and balances for that year, as recorded in agency accounts.

For 1988, the regular schedules include enacted appropriations. In addition, indefinite appropriations are included on the basis of amounts likely to be required.

The 1989 column of the regular schedules includes proposed appropriations for all programs under existing legislation, including those that require extension or renewal of expiring laws.

Amounts for proposed new legislation are shown generally in separate schedules, following the regular schedules or in budget sequence in the respective bureau. These schedules are headed "Proposed for later transmittal under proposed legislation." Appropriation language is included with the regular schedules, but not with the separate schedules for proposed legislation. Necessary appropriations language will be transmitted later upon enactment of the proposed legislation. In some cases, when the amount requested in the budget is less than the amount required for the program level mandated in existing authorizing legislation (as in the case of certain entitlement programs), the reduced amount is reflected in the proposed appropriation language and the regular schedules. The proposed change in the authorizing legislation may be included in the appropriation language transmitted with the budget or in proposed legislation, to be transmitted separately. In these cases, the words, "Legislative Action Required" appear at the end of the language.

PROGRAM AND FINANCING SCHEDULE

This schedule consists of three parts.

In the "Program by activities" section, obligations generally are shown for specific activities or projects. The activity structure is developed individually for each appropriation or fund account to provide a meaningful

presentation of information for the program being financed. That structure is tailored to the individual account and is not uniform across the Government. When the amounts of obligations that are financed from collections credited to an account (reimbursements) are significant, "Reimbursable program" obligations are shown separately from "Direct program" obligations. When the amounts are significant, "Capital investments" are shown separately from "Operating expenses." The last entry "Total obligations," indicates the minimum amount of budgetary resources that must be available to the appropriation or fund account in that year.

The "Financing" section shows the budgetary resources available or estimated to be available to finance the total obligations. First are the amounts of offsetting collections credited to the account. Next are unobligated balances of budgetary resources (that have not expired) brought forward from the end of the prior year. Finally, those amounts that were available for obligation during the year and were not used, but continue to be available, are shown as an unobligated balance available, end of year. That balance is carried forward and usually obligated in a subsequent year. Other adjusting entries may be included. The residual is the new budget authority required to finance the program. Where more than one kind of budget authority is provided, that information is shown. In some cases, the availability of budgetary resources may be restrained by legally binding limitations on obligations for direct loans or for other purposes. Such limitations are usually included in appropriations language.

The "Relation of obligations to outlays" section shows the difference between obligations, which may not be liquidated in the same year in which they are incurred, and outlays. The entry "obligations incurred, net," shows the amount of new obligations incurred in the year, less offsetting collections credited to the account. The amount of obligations that were incurred in previous years but not liquidated, are entered as an obligated balance, start of year. Similarly, an end of year obligated balance is entered. Certain adjusting entries may be included. The residual is the net amount of outlays resulting from the liquidation of obligations incurred in that year and previous years.

The account identification code, found at the head of the program and financing schedule, facilitates computer processing of budgetary information. The last three digits of this code represent the functional category to which the account is classified. Functional classification permits presentation of budget authority and outlays in terms of their purpose, rather than the organization administering the program or the account under which these funds are made available. For example, the 452 at the top of the following schedule indicates that the purpose of the program financed by this appropriation is *Area and regional development*—a subfunction within major function 450, *Community and regional development*. When the outlays from an account are split between two or more subfunctions within a single major function, the code of the major function is used. In those few cases where the outlays from an account are split between two or more functions, a code of 999 is used. A detailed discussion of how Federal programs

are addressed to each identified national need is included in Part 5 of the 1989 Budget. The individual functional categories are identified with each appropriation or fund account in the "Federal Program by Agency and Account" in Part 6f of the Budget.

Program and Financing (in thousands of dollars)

Identification code 17-0643-0-1-452	1987 actual	1988 est.	1989 est.
Program by activities:			
Direct program:			
00.01 Information services.....	22,866	22,700	21,500
00.02 Meteorological research.....	4,780	4,900	4,900
00.03 Longitudinal weather studies.....	2,500	2,490	2,120
00.04 Construction.....		150	400
00.91 Total direct program.....	30,146	30,240	28,920
01.01 Reimbursable program.....	250	350	380
10.00 Total obligations.....	30,396	30,590	29,300
Financing:			
11.00 Offsetting collections from: Federal funds.....	-250	-350	-380
21.40 Unobligated balance available, start of year.....			-50
24.40 Unobligated balance available, end of year.....		50	
25.00 Unobligated balance lapsing.....	45		
40.00 Budget authority (appropriation).....	30,191	30,290	28,870
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	30,146	30,240	28,920
72.40 Obligated balance, start of year.....	1,364	1,120	1,246
74.40 Obligated balance, end of year.....	-1,120	-1,246	-1,275
90.00 Outlays.....	30,390	30,114	28,891

A schedule entitled "Summary of Budget Authority and Outlays" is shown immediately following the program and financing schedule and any associated notes for each account that includes separate program and financing schedules for program supplemental requests, requests for later transmittal under proposed or existing legislation, or rescission proposals.

NARRATIVE STATEMENT OF PROGRAM AND PERFORMANCE

Narrative statements present briefly the objectives of the program and the work to be financed primarily for 1989. Measures of expected performance may be included, and the relationship to the financial estimates is described.

SCHEDULE OF OBJECT CLASSIFICATION AND PERSONNEL SUMMARY

There is shown for each account a schedule of obligations, according to the following uniform list of object classifications:

10 PERSONAL SERVICES AND BENEFITS	24 Printing and reproduction
11 Personnel compensation	25 Other services
12 Personnel benefits	26 Supplies and materials
13 Benefits for former personnel	30 ACQUISITION OF CAPITAL ASSETS
20 CONTRACTUAL SERVICES AND SUPPLIES	31 Equipment
21 Travel and transportation of persons	32 Lands and structures
22 Transportation of things	33 Investments and loans
23.1 Rental payment to GSA	40 GRANTS AND FIXED CHARGES
23.2 Rental payments to others	41 Grants, subsidies, and contributions
23.3 Communications, utilities, and miscellaneous charges	42 Insurance claims and indemnities
	43 Interest and dividends
	44 Refunds

These object classes reflect the nature of the things or services purchased, regardless of the purpose of the program for which they are used.

Several of the object classes are divided into subclasses—personnel compensation, for example, is shown separately for full-time permanent employees, for other than full-time employees, and for certain other payments.

Except for revolving funds, reimbursable obligations are aggregated in a single line and not identified by object class. Data, classified by object, are illustrated in the following schedule:

Object Classification (in thousands of dollars)

Identification code	17-0643-0-1-452	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	19,653	19,540	19,200
11.3	Other than full-time permanent	792	800	570
11.5	Other personnel compensation	231	169	190
11.9	Total personnel compensation	20,676	20,509	19,960
12.1	Civilian personnel benefits	1,940	1,899	1,887
21.0	Travel and transportation of persons	91	85	80
22.0	Transportation of things	17	18	17
23.1	Rental payments to GSA	1,680	1,752	1,790
23.3	Communications, utilities, and miscellaneous charges	1,759	1,580	1,675
24.0	Printing and reproduction	1,390	1,429	1,470
25.0	Other services	1,774	1,838	559
26.0	Supplies and materials	429	480	497
31.0	Equipment	390	500	585
32.0	Land and structures		150	400
99.0	Subtotal, direct obligations	30,146	30,240	28,920
99.0	Reimbursable obligations	250	350	380
99.9	Total obligations	30,396	30,590	29,300

When obligations for personnel compensation are shown in the object classification schedule, a personnel summary generally will follow the object classification schedule, as illustrated below:

Personnel Summary

Direct:			
Total number of full-time permanent positions	813	785	741
Total compensable workyears:			
Full-time equivalent employment	774	748	706
Full-time equivalent of overtime and holiday hours	23	17	19
Reimbursable:			
Total number of full-time permanent positions	9	13	14
Total compensable workyears: Full-time equivalent employment	8	12	13

Control of Federal civilian employment generally is on a full-time equivalent (FTE) or workyear basis for the executive branch.

BUSINESS-TYPE BUDGET STATEMENTS

Business-type budget statements are presented for activities specifically required by the Government Corporation Control Act or similar legislation and generally for other revolving and trust revolving funds conducting business with the public. They are not usually presented for funds conducting business within the Government.

Statement of Revenue and Expense

For many revolving funds there is a statement of revenue and expense that shows the resulting net income or loss for the year. This statement usually includes accrued revenue (e.g., revenue earned) and ac-

crued expenditures (e.g., including cost incurred but not yet paid), whether funded or unfunded.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income:			
Revenue	23,625	27,950	34,980
Expense	-2,830	-3,700	-4,000
Net operating income, total	20,795	24,250	30,980
Nonoperating income: Interest from U.S. securities	8,092	9,874	12,791
Net income for the year	28,887	34,124	43,771

Statement of Financial Condition

The statement of financial condition shows assets, liabilities, and Government equity for the fund at the close of each fiscal year. In addition to this information, which is similar to commercial balance sheet data, budget needs also require additional information, shown in the equity section. A disclosure is made of obligations incurred that have not yet accrued into liabilities (undelivered orders) and of budgetary resources for which no funding has been received (unfinanced budgetary resources). Unfinanced budgetary resources include orders from Federal customers that have not been filled (unfilled orders), and unfinanced budget authority in the form of authority to borrow for which borrowing has not taken place, and contract authority for which liquidating cash has not been received. Orders received from the public must be accompanied by advance payment.

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Fund balance with Treasury	1,214	350	550	450
U.S. securities (par)	98,174	129,969	170,769	218,169
Accounts receivable (net)	5,546	5,737	7,365	9,106
Loans receivable (net)	6,901	4,059	6,415	8,715
Total assets	111,835	140,115	185,909	236,440
Liabilities:				
Accounts payable and accrued liabilities	1,941	1,162	862	862
Advances received	21,656	21,828	32,988	40,558
Total liabilities	23,597	22,990	33,850	41,420
Government equity:				
Unexpended balances:				
Unobligated balance	81,051	112,491	144,486	186,702
Undelivered orders	280	569	348	603
Unfinanced budget authority: Unfilled customer orders	-1,340	-896	-1,205	-1,536
Invested capital	8,247	4,961	7,620	9,251
Total Government equity	88,238	117,125	151,249	195,020

FEDERAL CREDIT SCHEDULES

As part of an effort to establish systematic control of the levels of Federal credit during any fiscal year, the budget appendix includes annual limitations on the amount of obligations for direct loans and commitments for guaranteed loans in appropriations language for appropriations or funds with credit activity. For those accounts under which Federal credit is extended, schedules for the status of direct loans and the status of guaranteed loans summarize activity for the years shown.

Status of Direct Loans

A direct loan obligation is a legal or binding agreement that results in: (1) a disbursement of funds to a non-Federal entity by a Federal agency (including the Federal Financing Bank on behalf of a Federal agency) that is contracted to be repaid, with or without interest; (2) a purchase of non-Federal loans by a Federal agency through secondary market operations; or (3) a sale of Federal agency assets to a non-Federal entity on credit terms of more than 90 days duration.

Acquisitions of guaranteed non-Federal loans by a Federal agency in satisfaction of default or other guarantee claims are not recorded as new direct loan obligations. However, they are disbursements for guaranteed loan claims (line 1232) in the cumulative balance of loans outstanding section of the schedule on the status of direct loans.

A direct loan obligation is counted against the annual limitation when the principal amount is obligated. Limitations apply to the gross obligations for direct loans, which means the amount obligated during a fiscal year, without reductions for such items as repayments, prepayments, sale of loan assets, defaults, or forgiveness.

For each appropriation or fund with direct loan activity, a schedule is displayed immediately following the program and financing schedule as follows:

Status of Direct Loans (in thousands of dollars)

Identification code	17-4023-0-3-453	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans.....	19,700	14,000	14,000
1112	Unobligated direct loan limitation.....	-1,000		
1150	Total direct loan obligations	18,700	14,700	14,000
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year.....	58,430	66,239	65,789
Disbursements:				
1231	Direct loan disbursements.....	18,700	14,000	14,000
1232	Disbursements for guarantee claims.....	5,000	3,000	2,000
Repayments:				
1251	Repayments and prepayments.....	-15,475	-16,500	-15,000
1252	Repayments of defaulted guaranteed loans.....	-150	-150	-150
Adjustments:				
1262	Write-offs for default.....	-1,000	-800	-600
1264	Other adjustments, net ¹	734		
1290	Outstanding, end of year.....	66,239	65,789	66,039
Estimate of direct loan subsidy:				
1320	Subsidy amount (in percent).....	8.73	7.62	7.83
1330	Subsidy amount (in dollars).....	1,633	1,120	1,096

¹ Represents an adjustment to the prior year balance of direct loans outstanding.

The subsidy amounts presented in these schedules are the estimated present value of the difference in cost to the borrower between the Federal direct loan or guaranteed loan and alternative private financing available to the same or a similar borrower for the same or a similar purpose.

Status of Guaranteed Loans

A guaranteed loan commitment is a legal or binding agreement that results in a non-Federal debt instrument on which the agency pledges to pay part or all of the amount due to a lender or holder in the event of default by the borrower. Agency guarantees that result in loans that are disbursed by the FFB are counted as *direct loans* of the agency and, therefore, will not be

counted as guaranteed loans. However, the amount of direct loans made in this manner is subject to limitations on loan guarantee commitments of the originating agency. Loan guarantees include agreements in the form of loan insurance, defined as a type of guarantee in which an agency pledges the use of accumulated insurance premiums to secure lenders against default on the part of borrowers.

A guaranteed loan is counted against the annual limitation when a firm commitment is made, i.e., when the Government enters into a guarantee agreement to become effective at such time as the lender meets stipulated pre-conditions. A commitment is reported for every guaranteed loan, even though the commitment and the actual loan guarantee may occur simultaneously. Amounts for limitations and in the schedules are the full principal amounts of loans guaranteed whether guaranteed in full or in part. The amount of the Government's contingent liability is shown as a memorandum entry in the schedule. Limitations apply to the gross commitments for guaranteed loans, which means the amount committed during a fiscal year, without reductions for such items as repayments, prepayments, sale of guaranteed loans, or defaults.

For each appropriation or fund account with guaranteed loan activity, a schedule is displayed following the program and financing schedule (or status of direct loans schedule, if there is one) as follows:

Status of Guaranteed Loans (in thousands of dollars)

Identification code	17-4023-0-3-453	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders.....	300,000	200,000	200,000
2112	Uncommitted limitation	-120,000		
2150	Total, guaranteed loan commitments.....	180,000	200,000	200,000
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year.....	965,752	910,736	923,336
2231	Disbursements of new guaranteed loans.....	158,600	170,000	170,000
2251	Repayments and prepayments.....	-208,616	-200,000	-200,000
Adjustments:				
2261	Terminations for default that result in direct loans.....	-5,000	-3,000	-2,000
2264	Other adjustments, net.....		45,600	
2290	Outstanding, end of year.....	910,736	923,336	891,336

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding end of year.....	910,736	923,336	891,336
Estimate of guaranteed loan subsidy:				
2320	Subsidy amount (in percent).....	1.2	1.2	1.2
2330	Subsidy amount (in dollars).....	2,160	2,520	2,400

BUDGETS NOT SUBJECT TO REVIEW

In accordance with law or established practice, the presentations for the Legislative Branch, the Judiciary, the Federal Deposit Insurance Corporation, the Milk Market Orders Assessment Fund of the Department of Agriculture, the Farm Credit Administration, and the International Trade Commission have been included, without review, in the amounts submitted by the agencies.

The budgets of the privately owned Government-sponsored enterprises and the Board of Governors of the Federal Reserve System, presented in Part IV, are not subject to review; they are included for information purposes only.

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

Federal Funds

General and special funds:

PRODUCTION, PROCESSING AND MARKETING

OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of Agriculture, [including the direct supervision of the Soil Conservation Service and the Forest Service,] and not to exceed [\$50,000] \$75,000 for employment under 5 U.S.C. 3109, [\$1,466,000] \$5,998,000: *Provided*, That not to exceed [\$8,000] \$11,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

[INVESTIGATION OF LARGE PAYMENTS]

[To enable the Secretary of Agriculture to investigate large payments made under the provisions of the Food Security Act of 1985, and other laws, as to accuracy and legality and to submit a detailed report on such payments to the appropriate committees of the Congress, \$100,000.]

[OFFICE OF THE DEPUTY SECRETARY]

[For necessary expenses of the Office of the Deputy Secretary of Agriculture, including not to exceed \$25,000 for employment under 5 U.S.C. 3109 \$321,000: *Provided*, That not to exceed \$3,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Deputy Secretary.]

[OFFICE OF THE ASSISTANT SECRETARY FOR SPECIAL SERVICES]

[For necessary salaries and expenses to continue the Office of the Assistant Secretary for purposes of providing special services to the Department, \$416,000: *Provided*, That none of these funds shall be available for the supervision of Natural Resources and Environmental activities, the Soil Conservation Service, or the Forest Service.]

[OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION]

[For necessary expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded in this Act, \$498,000.]

[OFFICE OF THE ASSISTANT SECRETARY FOR GOVERNMENTAL AND PUBLIC AFFAIRS]

[For necessary expenses of the Office of the Assistant Secretary for Governmental and Public Affairs to carry out the programs funded in this Act, \$347,000.]

[OFFICE OF THE ASSISTANT SECRETARY FOR ECONOMICS]

[For necessary expenses of the Office of the Assistant Secretary for Economics to carry out the programs funded in this Act, \$484,000.]

[OFFICE OF THE ASSISTANT SECRETARY FOR SCIENCE AND EDUCATION]

[For necessary salaries and expenses of the Office of the Assistant Secretary for Science and Education to administer the laws enacted by the Congress for the Agricultural Research Service, Cooperative State Research Service, Extension Service, and National Agricultural Library, \$386,000.]

[OFFICE OF THE ASSISTANT SECRETARY FOR MARKETING AND INSPECTION SERVICES]

[For necessary salaries and expenses of the Office of the Assistant Secretary for Marketing and Inspection Services to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service, Food Safety and Inspection Service, Federal Grain Inspection Service, Agricultural Cooperative Service, Agricultural Marketing Service (including Office of Transportation) and Packers and Stockyards Administration, \$363,000.]

[OFFICE OF THE UNDER SECRETARY FOR INTERNATIONAL AFFAIRS AND COMMODITY PROGRAMS]

[For necessary salaries and expenses of the Office of the Under Secretary for International Affairs and Commodity Programs to administer the laws enacted by Congress for the Agricultural Stabilization and Conservation Service, Office of International Cooperation and Development, Foreign Agricultural Service, and the Commodity Credit Corporation, \$524,000.]

[OFFICE OF THE UNDER SECRETARY FOR SMALL COMMUNITY AND RURAL DEVELOPMENT]

[For necessary salaries and expenses of the Office of the Under Secretary for Small Community and Rural Development to administer programs under the laws enacted by the Congress for the Farmers Home Administration, Rural Electrification Administration, Federal Crop Insurance Corporation, and rural development activities of the Department of Agriculture \$440,000.]

[OFFICE OF THE ASSISTANT SECRETARY FOR FOOD AND CONSUMER SERVICES]

[For necessary salaries and expenses of the Office of the Assistant Secretary for Food and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service and the Human Nutrition Information Service, \$365,000.] (*7 U.S.C. 2201-2202: Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-0115-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Office of the Secretary	1,986	1,466	1,762
00.02	Investigations		100	
00.03	Special services		416	
00.04	Office of the Deputy Secretary		321	363
00.05	Administration	443	498	467
00.06	Governmental and public affairs	318	347	408
00.07	Economics	310	484	447
00.08	Science and education	346	386	432
00.09	Marketing and inspection service	323	363	421
00.10	International affairs and commodity programs	350	524	413
00.11	Small community and rural development	314	440	418
00.12	Natural resources and environment	321		461
00.13	Food and consumer services	300	365	406
00.91	Total direct program	5,011	5,710	5,998
01.01	Reimbursable program	968	856	929
10.00	Total obligations	5,979	6,566	6,927
Financing:				
11.00	Offsetting collections from: Federal funds	-968	-856	-929
25.00	Unobligated balance lapsing	10,255		
40.00	Budget authority (appropriation)	15,266	5,710	5,998
Relation of obligations to outlays:				
71.00	Obligations incurred, net	5,011	5,710	5,998
72.10	Receivables in excess of obligations, start of year	-906	-368	96
74.10	Receivables in excess of obligations, end of year	368	-96	-111
77.00	Adjustments in expired accounts	-159		
90.00	Outlays	4,314	5,246	5,983

The Office of the Secretary covers the overall planning, coordination, and administration of the Department's programs. This includes the Secretary, Deputy Secretary, Under Secretaries, Assistant Secretaries, and their immediate staffs, who provide top policy guidance for the Department; maintain relationships with agricultural organizations and others in the development of

General and special funds—Continued

OFFICE OF THE SECRETARY—Continued

farm programs; and provide liaison with the Executive Office of the President and Members of Congress on all matters pertaining to agricultural policy.

Object Classification (in thousands of dollars)

Identification code	12-0115-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	3,035	3,852	4,010
11.5	Other personnel compensation		40	40
11.9	Total personnel compensation	3,035	3,892	4,050
12.1	Civilian personnel benefits	394	624	578
21.0	Travel and transportation of persons	147	70	137
22.0	Transportation of things	15	1	1
23.3	Communications, utilities, and miscellaneous charges	470	521	563
24.0	Printing and reproduction	201	147	143
25.0	Other services	659	329	355
26.0	Supplies and materials	76	108	120
31.0	Equipment	14	18	51
99.0	Subtotal, direct obligations	5,011	5,710	5,998
99.0	Reimbursable obligations	968	856	929
99.9	Total obligations	5,979	6,566	6,927

Personnel Summary

Total number of full-time permanent positions	69	75	85
Total compensable workyears:			
Full-time equivalent employment	75	75	85
Full-time equivalent of overtime and holiday hours	1	4	4

Trust Funds

GIFTS AND BEQUESTS

Program and Financing (in thousands of dollars)

Identification code	12-8203-0-7-352	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations	50	50	50
Financing:				
21.40	Unobligated balance available, start of year	-109	-109	-109
24.40	Unobligated balance available, end of year	109	109	109
60.00	Budget authority (appropriation) (permanent, indefinite)	50	50	50
Relation of obligations to outlays:				
71.00	Obligations incurred, net	50	50	50
72.40	Obligated balance, start of year	86	95	95
74.40	Obligated balance, end of year	-95	-95	-95
90.00	Outlays	41	50	50

The Secretary is authorized to accept and administer gifts and bequests of real and personal property to facilitate the work of the Department. Property and the proceeds thereof are used in accordance with the terms of the gift or bequest (7 U.S.C. 2269).

Object Classification (in thousands of dollars)

Identification code	12-8203-0-7-352	1987 actual	1988 est.	1989 est.
25.0	Other services	20	50	50
26.0	Supplies and materials	5		
41.0	Grants, subsidies, and contributions	25		
99.0	Total obligations	50	50	50

DEPARTMENTAL ADMINISTRATION

Federal Funds

General and special funds:

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Budget and Program Analysis, **[\$4,252,000]** *\$4,339,000*; for Personnel, Finance and Management, Operations, Information Resources Management, Advocacy and Enterprise, and Administrative Law Judges and Judicial Officer, **[\$20,642,000]** *\$21,941,000* and in addition, for payment of the USDA share of the National Communications System, **[\$110,000]** *\$262,000*; making a total of **[\$25,004,000]** *\$26,542,000* for Departmental Administration to provide for necessary expenses for management support services to offices of the Department of Agriculture and for general administration and emergency preparedness of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109: *Provided*, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558. (5 U.S.C. 5901; 7 U.S.C. 2201, 2202, 2231, 2235; 42 U.S.C. 200d; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-0120-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Budget and program analysis	3,613	4,252	4,339
00.02	Personnel	4,792	5,655	5,982
00.03	Finance and management	3,358	3,768	4,038
00.04	Operations	2,495	2,628	2,895
00.05	Information resources management	3,598	4,547	4,863
00.06	Advocacy and enterprise	2,679	3,014	3,088
00.07	Administrative law judges and judicial officer	918	942	1,075
00.08	National communications system		110	262
00.91	Total direct program	21,453	24,916	26,542
01.01	Reimbursable program	4,262	3,698	3,768
10.00	Total obligations	25,715	28,614	30,310
Financing:				
11.00	Offsetting collections from: Federal funds	-4,262	-3,698	-3,768
25.00	Unobligated balance lapsing	566		
39.00	Budget authority	22,019	24,916	26,542
Budget authority:				
40.00	Appropriation	21,996	25,004	26,542
41.00	Transferred to other accounts		-88	
42.00	Transferred from other accounts	23		
43.00	Appropriation (adjusted)	22,019	24,916	26,542
Relation of obligations to outlays:				
71.00	Obligations incurred, net	21,453	24,916	26,542
72.40	Obligated balance, start of year	7,900	7,682	9,162
74.40	Obligated balance, end of year	-7,682	-9,162	-9,333
77.00	Adjustments in expired accounts	34		
90.00	Outlays	21,706	23,436	26,371

Budget and program analysis.—This activity provides direction and administration of the Department's budgetary functions including development, presentation, execution, control, reporting and adjusting fund and manpower resources; evaluates program and legislative proposals for program, budget and related resource implications; develops and maintains a mission-oriented program structure which defines Department missions, goals and objectives for the purpose of establishing

long-range and short-range program planning and to aid the Secretary and other departmental and agency officials in making management decisions regarding the Department's programs and resources. The office analyzes program and resource issues and alternatives, and prepares summaries of pertinent data to aid Departmental policy officials and agency program managers in the decisionmaking process.

Personnel.—This activity provides general liaison, direction, leadership coordination and monitoring of the personnel management program in the Department. Department policies and procedures relating to all personnel functions are promulgated, and operational services are provided to the Office of the Secretary, Office of the General Counsel, Office of Governmental and Public Affairs, Office of Budget and Program Analysis, and those staff offices under Departmental Administration reporting to the Assistant Secretary for Administration.

Finance and management.—This activity provides Departmental leadership, development and evaluation of programs in finance, accounting, Federal assistance, occupational safety and health, productivity and management improvements. The Director serves as the Department's chief financial officer, management improvement officer and comptroller of the Working Capital Fund. Finance and Management also provides budget, accounting and fiscal services for the Departmental staff offices, Office of the General Counsel, Office of Governmental and Public Affairs, and the Office of the Secretary.

Operations.—This activity provides staff and support services in the management of real and personal property, procurement, contracts, supplies, motor vehicles and internal energy conservation to the USDA agencies, including those in the Washington, D.C., complex.

Information resources management.—This activity designs, implements and revises systems, processes, work methods and techniques to improve the management of information resources and the operational effectiveness of USDA. The Director serves as the Department's clearance officer for statistical reporting and information collection. This activity also provides telecommunications and ADP services to USDA agencies and staff offices, including the Washington Service Center, Fort Collins Computer Center, and Kansas City Computer Center.

Advocacy and enterprise.—This activity provides leadership, direction and coordination for the Department's programs for civil rights, which include program delivery, compliance and equal employment opportunity, and for efforts to further participation of minority colleges and universities in Departmental programs. It provides oversight of all procurement activities to assure maximum participation of small and disadvantaged business in the process and directs and monitors agency compliance in promoting full and open competition in procurement.

Administrative law judges and judicial officer.—The administrative law judges hold hearings on new regulations and orders and on disciplinary complaints filed by the Department or on some petitions filed by private parties. Final administrative decisions in regulatory proceedings are rendered by the Judicial Officer.

National communications system.—This item provides funding for USDA's proportional share of the communications system being developed as part of the National Security and Emergency Preparedness Program. Participation in the NCS is required under National Security Directive 201 of December 1985.

Object Classification (in thousands of dollars)

Identification code	12-0120-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	15,191	17,354	18,263
11.3	Other than full-time permanent	221	384	384
11.5	Other personnel compensation	390	400	400
11.9	Total personnel compensation	15,802	18,138	19,047
12.1	Civilian personnel benefits	1,790	2,298	2,535
13.0	Benefits for former personnel	5	19	19
21.0	Travel and transportation of persons	378	411	430
22.0	Transportation of things	10	7	7
23.2	Rental payments to others	20	58	58
23.3	Communications, utilities, and miscellaneous charges	892	1,028	1,089
24.0	Printing and reproduction	405	366	373
25.0	Other services	1,160	1,863	2,203
26.0	Supplies and materials	457	375	396
31.0	Equipment	460	253	285
41.0	Grants, subsidies, and contributions	74	100	100
99.0	Subtotal, direct obligations	21,453	24,916	26,542
99.0	Reimbursable obligations	4,262	3,698	3,768
99.9	Total obligations	25,715	28,614	30,310

Personnel Summary

Total number of full-time permanent positions	462	538	553
Total compensable workyears:			
Full-time equivalent employment	479	533	547
Full-time equivalent of overtime and holiday hours	2	6	6

HAZARDOUS WASTE MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, except for expenses of the Commodity Credit Corporation, to comply with the requirement of section 107g of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. 9607g, and section 6001 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. 6961, **[\$2,000,000] \$10,000,000**, to remain available until expended: *Provided*, That appropriations and funds available herein to the Department of Agriculture for hazardous waste management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands. (42 U.S.C. 6961, et seq., 42 U.S.C. 9601, et seq.; *Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-0500-0-1-304	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 25.0)		2,000	10,000
Financing:				
40.00	Budget authority (appropriation)		2,000	10,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net		2,000	10,000
72.40	Obligated balance, start of year			1,000
74.40	Obligated balance, end of year		-1,000	-5,000
90.00	Outlays		1,000	6,000

Under the Comprehensive Environmental Response, Compensation, and Liability Act and the Resource Conservation and Recovery Act, the Department has the

General and special funds—Continued

HAZARDOUS WASTE MANAGEMENT—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

responsibility to meet the same standards for storage and disposition of hazardous wastes as private businesses. Since the Department may have substantial commitments under these Acts, a central fund has been established so that resources may be allocated to the Department's agencies. Allocations will be made according to objective criteria.

RENTAL PAYMENTS (USDA)

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92-313 for programs and activities of the Department of Agriculture which are included in this Act, **[\$49,665,000] \$56,407,000**, of which \$3,000,000 shall be retained by the Department of Agriculture for non-recurring repairs as determined by the Department of Agriculture: *Provided*, That in the event an agency within the Department of Agriculture should require modification of space needs, the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation, but such transfers shall not exceed 10 per centum of the funds made available for space rental and related costs to or from this account.

BUILDING OPERATIONS AND MAINTENANCE

For the operation, maintenance, and repair of Agriculture buildings pursuant to the delegation of authority from the Administrator of General Services authorized by 40 U.S.C. 486, **[\$20,024,000 of which \$3,245,000 is for one-time purchase of systems furniture] \$22,429,000**. (7 U.S.C. 2201, 2202, 2208; *Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-0117-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Rental payments to GSA.....	48,728	49,665	56,407
00.02	Building operations and maintenance.....	18,121	20,112	22,429
00.91	Total direct program.....	66,849	69,777	78,836
01.01	Reimbursable program.....	1,685	1,686	1,065
10.00	Total obligations.....	68,534	71,463	79,901
Financing:				
11.00	Offsetting collections from: Federal funds.....	-1,685	-1,686	-1,065
25.00	Unobligated balance lapsing.....	163		
39.00	Budget authority.....	67,011	69,777	78,836
Budget authority:				
40.00	Appropriation.....	66,967	69,689	78,836
42.00	Transferred from other accounts.....	44	88	
43.00	Appropriation (adjusted).....	67,011	69,777	78,836
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	66,848	69,777	78,836
72.10	Receivables in excess of obligations, start of year.....	1,751	8,864	9,139
74.10	Receivables in excess of obligations, end of year.....	-8,864	-9,139	-9,724
77.00	Adjustments in expired accounts.....	-423		
90.00	Outlays.....	59,312	69,502	78,251
Distribution of budget authority by account:				
	Building operations and maintenance.....	18,283	20,112	22,429
	Rental payments and building operations.....	48,728	49,665	56,407
Distribution of outlays by account:				
	Building operations and maintenance.....	19,925	19,837	21,844
	Rental payments and building operations.....	39,387	49,665	56,407

This annual account finances the General Services Administration's fees for rental of space and related services. The appropriation covers all fees for all regular appropriated accounts within the Department of Agriculture with the exception of the Forest Service.

This account also finances the operation and maintenance of seven buildings in the Headquarters area. In fiscal year 1985, GSA delegated responsibility for operating and maintaining five office buildings to USDA. The delegation was expanded to include two warehouses in fiscal year 1987.

Object Classification (in thousands of dollars)

Identification code	12-0117-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	1,702	1,523	2,056
11.5	Other personnel compensation.....	220	300	300
11.9	Total personnel compensation.....	1,922	1,823	2,356
12.1	Civilian personnel benefits.....	243	408	425
13.0	Benefits for former personnel.....	1	1	1
21.0	Travel and transportation of persons.....	6	4	4
22.0	Transportation of things.....	2	4	4
23.1	Rental payments to GSA.....	48,728	46,665	53,407
23.3	Communications, utilities, and miscellaneous charges.....	1,468	5,414	6,377
24.0	Printing and reproduction.....	12	17	18
25.0	Other services.....	13,816	11,592	15,619
26.0	Supplies and materials.....	187	208	215
31.0	Equipment.....	253	3,398	158
32.0	Land and structures.....	206	243	252
43.0	Interest and dividends.....	5		
99.0	Total, direct obligations.....	66,849	69,777	78,836
99.0	Reimbursable obligations.....	1,685	1,686	1,065
99.9	Total obligations.....	68,534	71,463	79,901

Personnel Summary

Total number of full-time permanent positions.....	59	66	67
Total compensable workyears:			
Full-time equivalent employment.....	57	63	64
Full-time equivalent of overtime and holiday hours.....	5	5	5

ADVISORY COMMITTEES (USDA)

For necessary expenses for activities of Advisory Committees of the Department of Agriculture which are included in this Act, **[\$1,308,000] \$2,294,000**: *Provided*, That no other funds appropriated to the Department of Agriculture in this Act shall be available to the Department of Agriculture for support of activities of Advisory Committees. (7 U.S.C. 2233; *Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-0118-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	USDA advisory committees.....	1,181	1,308	1,294
00.02	National Commission on Agricultural and Rural Development.....		100	1,000
10.00	Total obligations.....	1,181	1,408	2,294
Financing:				
21.40	Unobligated balance available, start of year.....		-100	
24.40	Unobligated balance available, end of year.....	100		
25.00	Unobligated balance lapsing.....	127		
40.00	Budget authority (appropriation).....	1,408	1,308	2,294
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,181	1,408	2,294
72.40	Obligated balance, start of year.....	404	472	572
74.40	Obligated balance, end of year.....	-472	-572	-913

77.00	Adjustments in expired accounts.....	-343		
90.00	Outlays.....	770	1,308	1,953
Distribution of budget authority by account:				
	USDA advisory committees.....	1,308	1,308	2,294
	National commission on agriculture and rural development.....	100		
Distribution of outlays by account:				
	USDA advisory committees.....	770	1,208	1,953
	National commission on agriculture and rural development.....		100	

The Federal Advisory Committee Act (Public Law 92-463) was passed in 1972 to recognize a means by which committees and similar groups provide expert advice to officers of the Federal Government. This account provides for direction and financial support of all authorized Department of Agriculture advisory committee activities other than those included in the Forest Service or financed by other than appropriated funds.

Object Classification (in thousands of dollars)

Identification code	12-0118-0-1-352	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent.....	477	459	424
12.1	Civilian personnel benefits.....	53	53	51
21.0	Travel and transportation of persons.....	399	622	543
22.0	Transportation of things.....	1	5	4
23.3	Communications, utilities, and miscellaneous charges.....	3	15	13
24.0	Printing and reproduction.....	10	39	39
25.0	Other services.....	228	193	1,201
26.0	Supplies and materials.....	6	14	12
31.0	Equipment.....	4	8	7
99.9	Total obligations.....	1,181	1,408	2,294

Personnel Summary

Total compensable workyears: Full-time equivalent employment.....	14	14	14
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Intragovernmental funds:

WORKING CAPITAL FUND

An amount of **[\$5,708,000]** \$6,000,000 is hereby appropriated to the Departmental Working Capital Fund to increase the Government's equity in this fund and to provide for the purchase of automated data processing, data communication, and other related equipment necessary for the provision of Departmental centralized services to the agencies. (7 U.S.C. 2235; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-4609-0-4-352	1987 actual	1988 est.	1989 est.
Program by activities:				
Operating expenses:				
00.01	Supply and other central services.....	10,491	12,630	13,341
00.02	Video and film and other visual information services.....	2,919	2,943	3,041
00.03	National Finance Center.....	52,888	59,123	62,746
00.04	ADP systems.....	43,985	56,469	49,342
00.91	Total operating expenses.....	110,283	131,165	128,470
Purchase of equipment:				
01.01	Supply and other central services.....	139	448	45
01.02	Video and film and other visual information services.....	159	78	63
01.03	National Finance Center.....	6,254	7,682	5,872
01.04	ADP systems.....	7,915	9,043	13,523
01.91	Total purchase of equipment.....	14,467	17,251	19,503
10.00	Total obligations.....	124,750	148,416	147,973
Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-113,675	-142,562	-141,827
14.00	Non-Federal sources.....	-112	-146	-146

17.00	Recovery of prior year obligations.....	-3,673		
21.98	Unobligated balance available, start of year: Fund balance.....	-5,246	-3,665	-3,665
24.98	Unobligated balance available, end of year: Fund balance.....	3,665	3,665	3,665
40.00	Budget authority (appropriation).....	5,708	5,708	6,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	10,964	5,708	6,000
72.98	Obligated balance, start of year: Fund balance.....	6,558	8,034	8,034
74.98	Obligated balance, end of year: Fund balance.....	-8,034	-8,034	-8,038
77.00	Adjustments in expired accounts.....	-35		
78.00	Adjustments in unexpired accounts.....	-3,673		
90.00	Outlays.....	5,779	5,708	5,996

This fund finances by advances or reimbursements certain central services in the Department of Agriculture, including duplicating and other visual information services, art and graphics, video and film services, supply, centralized accounting systems, centralized automated data processing systems for payroll, personnel, and related services, voucher payments services, and ADP systems. The capital consists of \$400 thousand appropriated (7 U.S.C. 2235), and accumulated earnings of \$2,629 thousand as of September 30, 1987. Earnings are kept at a low level through adjustments in rates charged for services to maintain as nearly as possible the nonprofit nature of the fund. The 1989 budget includes an appropriation request of \$6 million for the acquisition of computer equipment.

Object Classification (in thousands of dollars)

Identification code	12-4609-0-4-352	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	34,574	37,979	37,694
11.3	Other than full-time permanent.....	2,555	3,291	3,396
11.5	Other personnel compensation.....	2,223	2,567	2,585
11.9	Total personnel compensation.....	39,352	43,837	43,675
12.1	Civilian personnel benefits.....	4,630	5,594	7,770
13.0	Benefits for former personnel.....	43	83	85
21.0	Travel and transportation of persons.....	789	909	820
22.0	Transportation of things.....	166	286	505
23.1	Rental payments to GSA.....	2,826	3,744	3,920
23.2	Rental payments to others.....	23,471	23,226	22,377
23.3	Communications, utilities, and miscellaneous charges.....	3,383	4,477	4,646
24.0	Printing and reproduction.....	698	1,045	1,057
25.0	Other services.....	22,424	32,416	25,926
26.0	Supplies and materials.....	5,405	5,817	5,860
31.0	Equipment.....	14,881	17,574	19,779
43.0	Interest and dividends.....	7	1	1
92.0	Depreciation.....	6,675	9,407	11,552
99.9	Total obligations.....	124,750	148,416	147,973

Personnel Summary

Total number of full-time permanent positions.....	1,422	1,378	1,393
Total compensable workyears:			
Full-time equivalent employment.....	1,498	1,452	1,489
Full-time equivalent of overtime and holiday hours.....	66	69	69

OFFICE OF GOVERNMENTAL AND PUBLIC AFFAIRS

Federal Funds

General and special funds:

[PUBLIC AFFAIRS] OFFICE OF GOVERNMENTAL AND PUBLIC AFFAIRS

For necessary expenses to carry on services relating to the coordination of programs involving public affairs, and for the dissemination of agricultural information and the coordination of information, work and programs authorized by Congress in the Department,

General and special funds—Continued

【PUBLIC AFFAIRS】 OFFICE OF GOVERNMENTAL AND PUBLIC AFFAIRS—Continued

【\$7,700,000】 \$7,940,000, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 shall be available for employment under 5 U.S.C. 3109, and not to exceed \$2,000,000, may be used for farmers' bulletins and not fewer than two hundred thirty-two thousand two hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by 44 U.S.C. 1301: *Provided*, That in the preparation of motion pictures or exhibits by the Department, this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

【CONGRESSIONAL RELATIONS】

For necessary expenses for liaison with the Congress on legislative matters, 【\$497,000】 \$500,000.

【INTERGOVERNMENTAL AFFAIRS】

For necessary expenses for programs involving intergovernmental affairs and liaison within the executive branch, 【\$476,000】 \$479,000. (7 U.S.C. 2201, 2202, 2231, 2235; 42 U.S.C. 200d; Rural Development, Agriculture and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-0130-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Public affairs	7,267	7,700	7,940
00.02	Congressional relations	460	497	500
00.03	Intergovernmental affairs	434	476	479
00.91	Total direct program	8,161	8,673	8,919
01.01	Reimbursable program	189	686	63
10.00	Total obligations	8,350	9,359	8,982
Financing:				
Offsetting collections from:				
11.00	Federal funds	-181	-677	-54
14.00	Non-Federal sources	-8	-9	-9
25.00	Unobligated balance lapsing	225		
40.00	Budget authority (appropriation)	8,386	8,673	8,919
Relation of obligations to outlays:				
71.00	Obligations incurred, net	8,161	8,673	8,919
72.40	Obligated balance, start of year	1,195	2,130	2,229
74.40	Obligated balance, end of year	-2,130	-2,229	-2,281
77.00	Adjustments in expired accounts	502		
90.00	Outlays	7,728	8,574	8,867

Public affairs.—This activity provides general direction, leadership, and coordination of the Department's information program. The major objective is to provide a balanced and useful information program that reports on USDA's research, action, and regulatory activities using all communications media in order to enable the general public and the agricultural industry to have a better understanding of agriculture's services to farmers and to society.

Congressional relations.—This activity includes responsibility for maintaining liaison with the Congress and the White House on legislative matters of concern to the Department and for the coordination of all Congressional matters except Congressional appropriation.

Intergovernmental affairs.—This activity provides for overall direction and coordination in the development and implementation of policies and procedures applicable to the Department's intra- and intergovernmental relations.

Object Classification (in thousands of dollars)

Identification code	12-0130-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	4,727	5,380	5,425
11.3	Other than full-time permanent	81	92	80
11.5	Other personnel compensation	168	192	159
11.9	Total personnel compensation	4,976	5,664	5,664
12.1	Civilian personnel benefits	581	750	882
13.0	Benefits for former personnel	10		
21.0	Travel and transportation of persons	87	79	82
22.0	Transportation of things	5	7	8
23.3	Communications, utilities, and miscellaneous charges	570	482	496
24.0	Printing and reproduction	808	707	749
25.0	Other services	907	824	844
26.0	Supplies and materials	137	106	134
31.0	Equipment	80	54	60
99.0	Subtotal, direct obligations	8,161	8,673	8,919
99.0	Reimbursable obligations	189	686	63
99.9	Total obligations	8,350	9,359	8,982

Personnel Summary

Total number of full-time permanent positions	131	127	131
Total compensable workyears:			
Full-time equivalent employment	133	129	134
Full-time equivalent of overtime and holiday hours	3	3	3

OFFICE OF THE INSPECTOR GENERAL

Federal Funds

General and special funds:

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), 【\$48,795,000】 \$51,442,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(8) of the Inspector General Act of 1978 (Public Law 95-452), and including a sum not to exceed \$50,000 for employment under 5 U.S.C. 3109; and including a sum not to exceed \$95,000 for certain confidential operational expenses including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95-452 and section 1337 of Public Law 97-98. (7 U.S.C. 450b, 2201, 2202, 2220, 2270; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-0900-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Direct program	45,077	48,795	51,442
01.01	Reimbursable program	1,352		
10.00	Total obligations	46,429	48,795	51,442
Financing:				
Offsetting collections from:				
11.00	Offsetting collections from: Federal funds	-1,352		
25.00	Unobligated balance lapsing	339		
39.00	Budget authority	45,416	48,795	51,442
Budget authority:				
40.00	Appropriation	45,483	48,795	51,442
41.00	Transferred to other accounts	-67		
43.00	Appropriation (adjusted)	45,416	48,795	51,442
Relation of obligations to outlays:				
71.00	Obligations incurred, net	45,077	48,795	51,442
72.40	Obligated balance, start of year	6,085	5,894	7,026
74.40	Obligated balance, end of year	-5,894	-7,026	-7,408
77.00	Adjustments in expired accounts	-688		
90.00	Outlays	44,579	47,663	51,060

The Office keeps the Secretary and the Congress informed about fraud, other serious problems, abuses, and deficiencies in Department programs and operations, recommends corrective action, and reports on the progress made in correcting the problems. It reviews existing and proposed legislation and regulations and makes recommendations to the Secretary and Congress regarding the impact these laws have on the Department's programs and the prevention and detection of fraud and abuse in such programs. The Office provides policy direction and conducts, supervises, and coordinates all audits and investigations. The office supervises and coordinates other activities in the Department and between the Department and other Federal, State and local government agencies whose purposes are to (a) promote economy and efficiency, (b) prevent and detect fraud and abuse, and (c) identify and prosecute people involved in fraud or abuse.

Object Classification (in thousands of dollars)

Identification code	12-0900-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	27,235	27,894	29,862
11.3	Other than full-time permanent	172	180	180
11.5	Other personnel compensation	1,215	1,100	1,200
11.9	Total personnel compensation	28,622	29,174	31,242
12.1	Civilian personnel benefits	4,964	6,036	6,615
13.0	Benefits for former personnel	10	44	44
21.0	Travel and transportation of persons	4,471	5,400	5,400
22.0	Transportation of things	182	243	243
23.2	Rental payments to others	91	95	95
23.3	Communications, utilities, and miscellaneous charges	1,667	2,309	2,309
24.0	Printing and reproduction	78	158	158
25.0	Other services	3,400	3,716	3,716
26.0	Supplies and materials	536	650	650
31.0	Equipment	1,049	970	970
42.0	Insurance claims and indemnities	5	.....	.....
43.0	Interest and dividends	2	.....	.....
99.0	Subtotal, direct obligations	45,077	48,795	51,442
99.0	Reimbursable obligations	1,352	.....	.....
99.9	Total obligations	46,429	48,795	51,442

Personnel Summary

Total number of full-time permanent positions	828	798	830
Total compensable workyears:			
Full-time equivalent employment	818	818	850
Full-time equivalent of overtime and holiday hours	33	30	30

OFFICE OF THE GENERAL COUNSEL

Federal Funds

General and special funds:

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, **[\$18,734,000]** \$23,064,000. (7 U.S.C. 2201; 2202, 2214a; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-2300-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Direct program	17,606	18,734	23,064
01.01	Reimbursable program	212	60	.....
10.00	Total obligations	17,818	18,794	23,064

Financing:			
11.00	Offsetting collections from: Federal funds	-212	-60
25.00	Unobligated balance lapsing	64	.....
40.00	Budget authority (appropriation)	17,670	18,734
Relation of obligations to outlays:			
71.00	Obligations incurred, net	17,606	18,734
72.40	Obligated balance, start of year	478	1,872
74.40	Obligated balance, end of year	-1,872	-1,903
77.00	Adjustments in expired accounts	-348	.....
90.00	Outlays	15,864	18,703
			23,018

The Office of the General Counsel of the Department of Agriculture provides all legal advice, counsel and services to the Secretary and all agencies, offices, and corporations of the Department on all aspects of their operations. It represents the Department in administrative proceedings; nonlitigation debt collection proceedings; state water rights adjudications; proceedings before the Environmental Protection Agency, Interstate Commerce Commission, Federal Maritime Administration and International Trade Commission; and, in conjunction with the Department of Justice, in judicial proceedings and litigation. All attorneys and related support personnel of the Department are under the supervision of the General Counsel.

Object Classification (in thousands of dollars)

Identification code	12-2300-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
11.1	Personnel compensation: Full-time permanent	13,236	13,815	14,105
12.1	Civilian personnel benefits	1,707	2,771	2,806
13.0	Benefits for former employees	4	11	11
21.0	Travel and transportation of persons	233	297	327
22.0	Transportation of things	6	22	22
23.3	Communications, utilities, and miscellaneous charges	803	938	1,683
24.0	Printing and reproduction	30	40	40
25.0	Other services	707	292	1,011
26.0	Supplies and materials	477	438	518
31.0	Equipment	403	110	2,541
99.0	Subtotal, direct obligations	17,606	18,734	23,064
99.0	Reimbursable obligations	212	60	.....
99.9	Total obligations	17,818	18,794	23,064

Personnel Summary

Total number of full-time permanent positions	327	385	385
Total compensable workyears:			
Full-time equivalent employment	327	360	360
Full-time equivalent of overtime and holiday hours	1	3	3

AGRICULTURAL RESEARCH SERVICE

Federal Funds

General and special funds:

AGRICULTURAL RESEARCH SERVICE

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for), home economics or nutrition and consumer use, and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100, **[\$538,884,000]** \$559,157,000: Provided, That appropriations hereunder shall be available for temporary employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$115,000 shall be

General and special funds—Continued

AGRICULTURAL RESEARCH SERVICE—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

available for employment under 5 U.S.C. 3109: *Provided further*, That funds appropriated herein can be used to provide financial assistance to the organizers of national and international conferences, if such conferences are in support of agency programs: *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further*, That uniform allowances for each uniformed employee of the Agricultural Research Service shall not be in excess of \$400 annually: *Provided further*, That of the appropriations hereunder not less than \$10,526,600 shall be available to conduct marketing research: *Provided further*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided the cost of constructing any one building shall not exceed *[\$150,000]* \$175,000, except for greenhouses connecting greenhouses which shall each be limited to \$500,000, and except for ten buildings to be constructed or improved at a cost not to exceed *[\$275,000]* \$336,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building or *[\$150,000]* \$175,000 whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of *[\$250,000]* \$336,000 for facilities at Beltsville, Maryland: *Provided further*, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further*, That the limitation on purchase of land shall not apply to the purchase of land at Fresno, California, or to the purchase of land at the Mahantango Research Watershed, Pennsylvania: *Provided further*, That not to exceed \$190,000 of this appropriation may be transferred to and merged with the appropriation for the office of the Assistant Secretary for Science and Education for the scientific review of international issues involving agricultural chemicals and food additives].

Special fund: To provide for additional labor, subprofessional, and junior scientific help to be employed under contracts and cooperative agreements to strengthen the work at Federal research installations in the field, \$1,800,000. (7 U.S.C. 328, 427, 427i, 1281 note, 1621, 2201, 2204, 2225, 2250, 3101 note; 10 U.S.C. 2306; 16 U.S.C. 590(a)-590(b), 590(k); 18 U.S.C. 1114; 19 U.S.C. 1306(a), 1306(c); 20 U.S.C. 191-194; 21 U.S.C. 113a, 114c, 114e-131; 42 U.S.C. 1476(e), 1483; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-1400-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Research on soil and water conservation.....	59,302	60,848	66,587
00.02	Research on plant science.....	192,515	211,677	214,929
00.03	Research on animal science.....	89,774	93,531	95,741
00.04	Research on commodity conversion and delivery.....	101,007	105,345	110,111
00.05	Human nutrition research.....	40,395	44,359	44,530
00.06	Integration of agricultural systems.....	11,539	12,421	12,556
00.07	Repair and maintenance of facilities.....	11,218	11,552	15,552
00.08	Contingencies.....	932	951	951
00.09	Construction of facilities.....	26	11,044	.....
00.91	Total direct program.....	506,708	551,728	560,957
01.01	Reimbursable program.....	19,475	20,000	20,000
10.00	Total obligations.....	526,183	571,728	580,957
Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-16,235	-16,650	-16,650
14.00	Non-Federal sources.....	-3,240	-3,350	-3,350
21.40	Unobligated balance available, start of year.....	-1,179	-11,044	.....
24.40	Unobligated balance available, end of year.....	11,044	.....	.....
25.00	Unobligated balance lapsing.....	1,664	.....	.....
40.00	Budget authority (appropriation).....	518,237	540,684	560,957
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	506,708	551,728	560,957
72.40	Obligated balance, start of year.....	110,843	126,992	144,687
74.40	Obligated balance, end of year.....	-126,992	-144,687	-155,030

77.00	Adjustments in expired accounts.....	641	.....	.....
90.00	Outlays.....	491,201	534,033	550,614

The Agricultural Research Service conducts research to provide the means for a safer, more economical supply of agricultural products for the Nation and to provide producers with technologies to competitively supply these products. The Service uses coordinated, interdisciplinary approaches to perform basic and applied research on soil and water conservation, plant and animal sciences, commodity conversion and delivery, human nutrition, and integrated agricultural systems. The 1989 budget proposes increases to improve the quality of agricultural soil and water resources, enhance plant productivity, and improve food safety and quality.

Research on soil and water conservation.—Research is conducted to improve soil and water management, irrigation, and conservation practices; to protect natural resources from harmful effects of soil, air, and water pollutants and to minimize certain agricultural pollution problems; and to determine the relation of soil types and water to plant, animal, and human nutrition. Research increases in 1989 are proposed to improve groundwater quality and to determine the effects of the depletion of stratospheric ozone on major crops.

Research on plant science.—Research is conducted to increase plant productivity by improving plant varieties, developing new crop resources, and improving crop production practices, including methods to control plant diseases, nematodes, insects, and weeds.

Research on animal science.—Research is conducted to increase livestock productivity (including poultry) through improved breeding, feeding, and management practices, and to develop methods for controlling diseases, parasites, and insect pests affecting these animals. The increase proposed for 1989 is to reduce the bacterial contamination and pesticide residues in foods and products of animal origin.

Research on commodity conversion and delivery.—Research is conducted to develop new and improved foods, feeds, products, and processes for agricultural commodities and to improve the processing, transportation, storage, wholesaling, and retailing of products. Research is also conducted on problems of human health and safety, including means to insure the safety of food and feed supplies, control insect pests of man and his belongings, and reduce the hazards to human life resulting from pesticide residues and other causes. The increase proposed in 1989 is to reduce bacterial contamination and residues in foods and products of animal origin.

Human nutrition research.—Research is conducted on subjects such as human nutritional requirements and the composition and nutritive value of foods, to promote optimum human health through improved nutrition.

Integration of agricultural systems.—Research is conducted to develop integrated systems for efficiently producing, processing, and marketing agricultural products, and to develop alternative agricultural systems that are less dependent upon nonrenewable resources and that are productive, efficient, and sustainable in the long term.

Repair and maintenance of facilities.—Funds are used to restore, upgrade, and maintain Federal facilities to meet OSHA and EPA requirements, provide suitable workspace for in-house research programs, and to retrofit existing structures for better energy utilization. An increase is proposed in 1989 to meet the growing repair and maintenance needs of research facilities.

Contingencies.—Funds available to meet urgent needs that develop unexpectedly during the year when such needs cannot be met by redirection of resources from other projects.

Construction of facilities.—Unobligated balances are used for this purpose. No program is being proposed in fiscal year 1989.

Reimbursements.—Agricultural Research Service performs program research activities and services for other USDA, Federal, and non-Federal agencies. These activities and services are paid for on a reimbursable basis.

Object Classification (in thousands of dollars)

Identification code	12-1400-0-1-352	1987 actual	1988 est.	1989 est.
AGRICULTURAL RESEARCH SERVICE				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	223,010	232,480	236,300
11.3	Other than full-time permanent	17,026	17,590	17,690
11.5	Other personnel compensation	5,430	5,430	5,430
11.9	Total personnel compensation	245,466	255,500	259,420
12.1	Civilian personnel benefits	36,501	49,560	50,590
21.0	Travel and transportation of persons	7,796	8,110	8,450
22.0	Transportation of things	1,339	1,390	1,450
23.3	Communications, utilities, and miscellaneous charges	26,897	27,970	31,000
24.0	Printing and reproduction	1,344	1,400	1,450
25.0	Other services	97,490	101,389	105,538
26.0	Supplies and materials	37,111	38,590	43,290
31.0	Equipment	42,287	46,000	49,000
32.0	Land and structures	5,865	17,200	6,200
41.0	Grants, subsidies, and contributions	4,247	4,250	4,200
99.0	Subtotal, direct obligations	506,343	551,359	560,588
99.0	Reimbursable obligations	19,475	20,000	20,000

ALLOCATION TO FOREST SERVICE

Personnel compensation:				
11.1	Full-time permanent	14	14	14
11.3	Other than full-time permanent	2	2	2
11.9	Total personnel compensation	16	16	16
12.1	Civilian personnel benefits	1	1	1
21.0	Travel and transportation of persons	2	2	2
25.0	Other services	334	338	338
26.0	Supplies and materials	9	9	9
31.0	Equipment	3	3	3
99.0	Subtotal obligations, Forest Service	365	369	369
99.9	Total obligations	526,183	571,728	580,957

Personnel Summary

Direct:				
Total number of full-time permanent positions				
Total compensable workyears:				
Full-time equivalent employment				
Full-time equivalent of overtime and holiday hours				
Reimbursable:				
Total number of full-time permanent positions				
Total compensable workyears: Full-time equivalent employment				

BUILDINGS AND FACILITIES

(INCLUDING TRANSFERS OF FUNDS)

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities and for grants to States and other eligible recipients for such purposes, as necessary to carry out the agricultural research, extension and teaching programs of the Department of Agriculture, where not otherwise provided, **[\$57,815,000 of which \$7,500,000 shall not be obligated prior to fiscal year 1989] \$11,000,000, to remain available until expended:** *Provided, That these funds may be transferred to such other accounts in this Act as may be appropriate to carry out these purposes: Provided further, That facilities to house Bonsai collections at the National Arboretum may be constructed with funds accepted under the provisions of Public Law 94-129 (20 U.S.C. 195) and the limitation on construction contained in the Act of August 24, 1912 (40 U.S.C. 68) shall not apply to the construction of such facilities. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)*

Program and Financing (in thousands of dollars)

Identification code	12-1401-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 32.0)	12,855	44,670	47,136
Financing:				
21.40	Unobligated balance available, start of year	—34,846	—22,991	—36,136
24.40	Unobligated balance available, end of year	22,991	36,136	.....
39.00	Budget authority	1,000	57,815	11,000
Budget authority:				
40.00	Appropriation	37,400	57,815	11,000
41.00	Transferred to other accounts	—36,400	.....	.....
43.00	Appropriation (adjusted)	1,000	57,815	11,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net	12,855	44,670	47,135
72.40	Obligated balance, start of year	53,638	34,183	37,301
74.40	Obligated balance, end of year	—34,183	—37,301	—48,394
90.00	Outlays	32,310	41,552	36,042

This account provides funds for acquisition of land, construction, repair, improvement, extension, alterations, and purchases of fixed equipment or facilities of or used by the Agricultural Research Service. The 1989 request of \$11 million is for constructing the National seed storage laboratory, Fort Collins, Colorado.

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code	12-8214-0-7-352	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations	2,878	5,000	5,000
Financing:				
21.40	Unobligated balance available, start of year	—2,699	—2,860	—2,860
24.40	Unobligated balance available, end of year	2,860	2,860	2,860
60.00	Budget authority (appropriation) (permanent, indefinite)	3,039	5,000	5,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net	2,878	5,000	5,000
72.40	Obligated balance, start of year	691	569	569
74.40	Obligated balance, end of year	—569	—569	—569
90.00	Outlays	3,000	5,000	5,000

Miscellaneous contributed funds received from States, local organizations, individuals, and others are avail-

MISCELLANEOUS CONTRIBUTED FUNDS—Continued

able for work under cooperative agreements on research activities.

Object Classification (in thousands of dollars)

Identification code	12-8214-0-7-352	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	208	312	315
11.3	Other than full-time permanent.....	629	941	941
11.5	Other personnel compensation.....		1	1
11.9	Total personnel compensation.....	837	1,254	1,257
12.1	Civilian personnel benefits.....	134	201	201
21.0	Travel and transportation of persons.....	112	168	168
22.0	Transportation of things.....	9	16	16
23.3	Communications, utilities, and miscellaneous charges.....	8	14	14
24.0	Printing and reproduction.....	1	1	1
25.0	Other services.....	1,345	2,598	2,595
26.0	Supplies and materials.....	271	470	470
31.0	Equipment.....	160	278	278
32.0	Land and structures.....	1		
99.9	Total obligations.....	2,878	5,000	5,000

Personnel Summary

Total number of full-time permanent positions.....	27	40	40
Total compensable workyears: Full-time equivalent employment.....	27	40	40

COOPERATIVE STATE RESEARCH SERVICE

Federal Funds

General and special funds:

COOPERATIVE STATE RESEARCH SERVICE

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, including \$155,545,000 to carry into effect the provisions of the Hatch Act approved March 2, 1987, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), and further amended by Public Law 92-318 approved June 23, 1972, and further amended by Public Law 93-471 approved October 26, 1974, including administration by the United States Department of Agriculture, and penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended, and payments under section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n); **[\$17,500,000] \$12,975,000** for grants for cooperative forestry research under the Act approved October 10, 1962 (16 U.S.C. 582a-582a-7), as amended by Public Law 92-318 approved June 23, 1972, including administrative expenses, and payments under section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n); **[\$23,333,000] \$25,333,000** for payments to the 1890 land-grant colleges, including Tuskegee University, for research under section 1445 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (Public Law 95-113), as amended, including administration by the United States Department of Agriculture, and penalty mail costs of the 1890 land-grant colleges, including Tuskegee University; **[\$31,185,000] \$4,977,000** for contracts and grants for agricultural research under the Act of August 4, 1965, as amended (7 U.S.C. 450i); **[\$42,372,000] \$54,500,000** for competitive research grants, including administrative expenses; **[\$5,476,000]** for the support of animal health and disease programs authorized by section 1433 of Public Law 95-113, including administrative expenses; **[\$675,000] \$391,000** for supplemental and alternative crops and products as authorized by the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319d); **[\$4,918,000] \$668,000** for grants [for research and construction of facilities] to conduct research pursuant to the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178); [and section 1472 of the Food and Agriculture Act of 1977, as amended (7 U.S.C. 3318), to remain available until expended; \$475,000 for rangeland research grants as authorized by subtitle M of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended; \$4,754,000] **\$2,000,000** for higher education grants under section 1417(a) of Public Law 95-113, as amended (7 U.S.C. 3152(a)); **[\$3,500,000]** for grants as authorized by section 1475 of

the National Agricultural Research, Extension, and Teaching Policy Act of 1977 and other Acts; \$3,827,000 for grants to States for the establishment and operation of international trade development centers, as authorized by the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended (7 U.S.C. 3292); \$3,900,000 for low-input agriculture as authorized by the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 4701-4710); \$2,100,000 for other grants as authorized by section 1472 of the Food and Agriculture Act of 1977 (7 U.S.C. 3318); and \$4,094,000] **and \$1,100,000** for necessary expenses of Cooperative State Research Service activities, including coordination and program leadership for higher education work of the Department, administration of payments to State agricultural experiment stations, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 for employment under 5 U.S.C. 3109; in all, **[\$303,654,000] \$257,489,000**: *Provided, That no funds shall be available in fiscal year 1989 for payments under the Act of August 30, 1890 and the tenth and eleventh paragraphs under the heading "Emergency Appropriations" of the Act of March 4, 1907 (7 U.S.C. 321 et seq.) (7 U.S.C. 450b, 2201-02, 2220, 2250a; 39 U.S.C. 3202(a)(4), 3206(b); 42 U.S.C. 1891-1893; Public Law 95-113; Public Law 95-547; Public Law 95-592; Public Law 96-294; Public Law 97-98; Public Law 98-284; Public Law 99-198; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)*

Program and Financing (in thousands of dollars)

Identification code	12-1500-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Payments under the Hatch Act.....	146,629	155,545	155,545
00.02	Cooperative forestry research.....	12,412	17,500	12,975
00.03	Payments to 1890 colleges and Tuskegee University ..	22,320	23,333	25,333
00.04	Special research grants	54,030	51,780	6,036
00.05	Competitive research grants	40,651	42,372	54,500
00.06	Animal health and disease research.....	5,476	5,476	
00.07	Federal administration.....	2,930	4,094	1,100
00.08	1890 research facilities	9,508		
00.09	Higher education.....	7,554	7,354	2,000
00.10	Forestry competitive grants	6,000		
00.11	Research facilities	2,000		
00.12	Buildings and facilities.....	36,350	30,250	
00.91	Total direct program	345,860	337,704	257,489
01.01	Reimbursable program.....	4,800	4,800	4,800
10.00	Total obligations.....	350,660	342,504	262,289
Financing:				
11.00	Offsetting collections from: Federal funds	-4,800	-4,800	-4,800
21.40	Unobligated balance available, start of year		-31,450	
24.40	Unobligated balance available, end of year.....	31,450		
25.00	Unobligated balance lapsing	2,163		
39.00	Budget authority	379,473	306,254	257,489
Budget authority:				
Current:				
40.00	Appropriation	334,273	303,654	257,489
42.00	Transferred from other accounts.....	42,400		
43.00	Appropriation (adjusted)	376,673	303,654	257,489
60.00	Appropriation (permanent, indefinite)	2,800	2,600	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	345,860	337,704	257,489
72.40	Obligated balance, start of year	189,766	253,083	286,682
74.40	Obligated balance, end of year	-253,083	-286,682	-268,534
77.00	Adjustments in expired accounts.....	-1,256		
90.00	Outlays.....	281,287	304,105	275,637
Distribution of budget authority by account:				
Cooperative State Research Service.....				
	Buildings and Facilities.....	349,273	306,254	257,489
		30,200		
Distribution of outlays by account:				
Cooperative State Research Service.....				
	Buildings and Facilities.....	281,287	300,314	270,207
			3,971	4,530

Cooperative State Research Service participates in a nationwide system of agricultural research program planning and coordination between the State institutions and the U.S. Department of Agriculture. It assists in maintaining cooperation among the State institutions, and between the State institutions and their Federal research partners. The Agency administers grants and payments to State institutions to supplement State and local funding for agricultural research and higher education.

Payments under the Hatch Act.—Funds under the Hatch Act are allocated on a formula basis to agricultural experiment stations of the land-grant colleges in the 50 States, District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, Micronesia, and Northern Mariana Islands.

Cooperative forestry research.—These funds are allocated by formula to land-grant colleges or agricultural experiment stations in the 50 States, Puerto Rico, Guam, the Virgin Islands, and other State-supported colleges and universities having a forestry school and offering graduate training in forestry sciences.

Payments to 1890 colleges and Tuskegee University.—Funds support agricultural research at the 1890 land-grant colleges, including Tuskegee University.

Special research grants.—This program targets research to problems of national interest.

Competitive research grants.—Research scientists throughout the U.S. scientific community compete for funding under this program. These grants support basic research in biotechnology, plant and animal science, pest science, and human nutrition. For 1989, a new program of research is proposed to examine the effects of the depletion of stratospheric ozone on major crops.

Animal health and disease research.—Funds, distributed by formula, support livestock and poultry disease research in colleges of veterinary medicine and in eligible agricultural experiment stations. No funding is proposed in 1989.

Federal administration.—A coordinating and review staff assists in maintaining cooperation within and among the States, and between the States and their Federal research partners. This staff also administers research grants and payments to States. Federal administration is funded from a combination of program set-asides from formula and grant programs and from direct appropriation for administration.

1890 research facilities.—Funds support the purchase of land and the construction, alteration or renovation of buildings necessary for the conduct of food and agricultural research at colleges eligible to receive funds under the second Morrill Act of 1890, including Tuskegee University. No funding is proposed in 1989.

Higher education.—Funding is proposed for Strengthening Grants to support resident instruction at the 1890 colleges, the Tuskegee University, and the University of the District of Columbia. No funding is proposed in 1989 for the Morrill-Nelson and graduate training grants programs.

Forestry competitive grants.—This program emphasizes basic research in the areas of harvesting, wood utilization and forest biology. No funding is proposed in 1989.

Research facilities.—Funds support the construction, acquisition, equipping and remodeling of research facilities at the State agricultural experiment stations and other eligible institutions. No funding is proposed in 1989.

Buildings and facilities.—Funds support the planning, construction, acquisition, equipping and remodeling of research facilities at designated State Agricultural Experiment Stations and other eligible institutions. No funding is proposed in 1989.

Reimbursable program.—Funds support basic and applied agriculture research and activities performed for other USDA, Federal, and non-Federal agencies.

Object Classification (in thousands of dollars)

Identification code 12-1500-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	5,407	5,413	5,440
11.3 Other than full-time permanent	163	279	280
11.5 Other personnel compensation	109	163	164
11.9 Total personnel compensation	5,679	5,855	5,884
12.1 Civilian personnel benefits	575	709	729
13.0 Benefits for former personnel	3	3	3
21.0 Travel and transportation of persons	619	924	942
22.0 Transportation of things	53	54	55
23.3 Communications, utilities, and miscellaneous charges	816	338	344
24.0 Printing and reproduction	144	147	150
25.0 Other services	1,886	3,549	813
26.0 Supplies and materials	109	111	114
31.0 Equipment	112	114	117
41.0 Grants, subsidies, and contributions	335,864	325,900	248,338
99.0 Subtotal, direct obligations	345,860	337,704	257,489
99.0 Reimbursable obligations	4,800	4,800	4,800
99.9 Total obligations	350,660	342,504	262,289

Personnel Summary

Direct:			
Total number of full-time permanent positions	158	158	158
Total compensable workyears:			
Full-time equivalent employment	142	142	142
Full-time equivalent of overtime and holiday hours	1	1	1
Reimbursable:			
Total number of full-time permanent positions	8	8	8
Total compensable workyears: Full-time equivalent employment	8	8	8

EXTENSION SERVICE

Federal Funds

General and special funds:

EXTENSION SERVICE

(INCLUDING TRANSFERS OF FUNDS)

Payments to States, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas and American Samoa: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, the Act of October 5, 1962 (7 U.S.C. 341-349), section 506 of the Act of June 23, 1972, and the Act of September 29, 1977 (7 U.S.C. 341-349), as amended, and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.), to be distributed under sections 3(b) and 3(c) of said Act, for retirement and employees' compensation costs for extension agents and for costs of penalty mail for cooperative extension agents and State extension directors, [\$241,594,000] \$228,483,000; payments for priority initiatives under section 3(d) of the Act, \$10,000,000; payments for agriculture competitiveness and profitability under section 3(d) of the Act, \$10,000,000; payments for rural revitalization under section 3(d) of the Act, \$2,000,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act,

General and special funds—Continued

EXTENSION SERVICE—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

[\$58,635,000, of which \$39,627,000 shall be derived by transfer from the appropriation "Food Stamp Program" and merged with this appropriation; payments for the urban gardening program under section 3(d) of the Act, \$3,329,000; payments for the pest management program under section 3(d) of the Act, \$7,164,000; payments for the farm safety program under section 3(d) of the Act, \$970,000] \$22,111,000; payments for the pesticide impact assessment program under section 3(d) of the Act, \$1,633,000; grants to upgrade 1890 land-grant college extension facilities as authorized by section 1416 of Public Law 99-198, \$9,508,000, to remain available until expended; payments for an integrated reproductive management program under section 3(d) of the Act, \$47,000; payments for the rural development centers under section 3(d) of the Act, \$903,000] \$2,580,000; payments for extension work under section 209(c) of Public Law 93-471, \$935,000; payments for a financial management assistance program under section 3(d) of the Act, \$1,427,000; payments for carrying out the provisions of the Renewable Resource Extension Act of 1978, \$2,765,000; for special grants for financially stressed farmers and dislocated farmers as authorized by section 1440 of Public Law 99-198, 3,350,000] \$970,000; and payments for extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321-326, 328) and Tuskegee University, \$18,291,000; in all, \$350,551,000, of which not less than \$79,400,000 is for Home Economics] \$294,435,000; *Provided*, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, as amended, shall not be paid to any State, Puerto Rico, Guam, or the Virgin Islands, Micronesia, Northern Marianas, and American Samoa prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

Federal administration and coordination: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, the Act of October 5, 1962, section 506 of the Act of June 23, 1972, section 209(d) of Public Law 93-471, and the Act of September 29, 1977 (7 U.S.C. 341-349), as amended, and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, \$7,412,000, of which not less than \$2,300,000 is for Home Economics] \$5,107,000. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-0502-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Smith-Lever Act, 3(b) and 3(c).....	231,707	241,594	228,483
Smith-Lever Act, 3(d):				
00.02	Priority initiatives.....			10,000
00.03	Agriculture profitability.....			10,000
00.04	Rural revitalization.....			2,000
00.05	Food and nutrition education (EFNEP).....	57,635	58,635	22,111
00.06	Pest management.....	7,164	7,164	
00.07	Farm safety.....	970	970	
00.08	Pesticide impact assessment.....	1,633	1,633	2,580
00.09	Urban gardening.....	3,329	3,329	
00.10	Financial management.....	1,427	1,427	
00.11	Integrated reproductive management.....	47	47	
00.12	Rural development centers.....	689	903	
00.13	Payments to the District of Columbia.....	935	935	970
00.14	Payments to 1890 colleges and Tuskegee University ..	16,877	18,291	18,291
00.15	1890 facilities.....		9,508	
00.16	Section 1440 grants.....	3,350	3,350	
00.17	Renewable Resources Extension Act.....	2,378	2,765	
00.18	Federal administration.....	6,286	7,412	5,107
00.91	Total direct program.....	334,427	357,963	299,542
01.01	Reimbursable program.....	6,023	6,700	
10.00	Total obligations.....	340,450	364,663	306,242
Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-5,528	-6,205	-6,205
14.00	Non-Federal sources.....	-495	-495	-495
25.00	Unobligated balance lapsing.....	4,545		
39.00	Budget authority.....	338,972	357,963	299,542

Budget authority:				
40.00	Appropriation.....	300,345	318,336	299,542
42.00	Transferred from other accounts.....	38,627	39,627	
43.00	Appropriation (adjusted).....	338,972	357,963	299,542
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	334,427	357,963	299,542
72.40	Obligated balance, start of year.....	57,349	72,466	77,604
74.40	Obligated balance, end of year.....	-72,466	-77,604	-65,298
77.00	Adjustments in expired accounts.....	-394		
90.00	Outlays.....	318,916	352,825	311,848

The Federal Extension Service, States, and localities comprise the Cooperative Extension System. This nationwide system provides out-of-school, applied education, information, and technology transfer to the public on national issues and concerns.

Federal funds are distributed primarily by formula to States, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas and American Samoa, primarily on the basis of population. Funds are used primarily for the employment of State, area, and county extension workers and paraprofessionals who work with individuals, families, community organizations, marketing concerns, and others by providing advice and assistance in the application of improved methods for production, marketing, nutrition, family living, and community development. Most of these funds are matched by the States and provide the Federal share of State retirement and penalty mail costs associated with program activities specifically undertaken with these matched funds.

In 1989, initiatives are proposed to address national concerns on agricultural competitiveness and profitability, rural revitalization and the newly established system-wide National Initiatives for Cooperative Extension. Funds are also proposed for low income nutrition education and an increase in the pesticide impact assessment program is proposed consistent with Federal pesticide regulatory activity levels. Maintenance of operations is proposed for the 1890 institutions and the District of Columbia.

The Extension Service provides leadership and assistance to States, Puerto Rico, Guam, the Virgin Islands, the District of Columbia, American Samoa, Northern Marianas and Micronesia, in developing extension programs, improving teaching methods, efficient use of available resources, evaluation of programs, and administrative services. These responsibilities are funded from a combination of program set-asides for administering payments to States and from direct appropriations for the Federal Extension Administration.

Object Classification (in thousands of dollars)

Identification code	12-0502-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	7,033	7,615	7,649
11.3	Other than full-time permanent.....	63	65	67
11.5	Other personnel compensation.....	30	35	36
11.9	Total personnel compensation.....	7,126	7,715	7,752
12.1	Civilian personnel benefits.....	827	925	930
21.0	Travel and transportation of persons.....	674	700	615
22.0	Transportation of things.....	99	100	85
23.3	Communications, utilities, and miscellaneous charges...	603	600	525

24.0	Printing and reproduction	476	500	440
25.0	Other services	1,595	1,610	1,409
26.0	Supplies and materials	269	275	240
31.0	Equipment	248	250	220
41.0	Grants, subsidies, and contributions	322,510	345,288	287,326
99.0	Subtotal, direct obligations	334,427	357,963	299,542
99.0	Reimbursable obligations	6,023	6,700	6,700
99.9	Total obligations	340,450	364,663	306,242

Personnel Summary

Total number of full-time permanent positions	189	185	185
Total compensable workyears:			
Full-time equivalent employment	173	173	173
Full-time equivalent of overtime and holiday hours	1	1	1

NATIONAL AGRICULTURAL LIBRARY**Federal Funds****General and special funds:****NATIONAL AGRICULTURAL LIBRARY**

For necessary expenses of the National Agricultural Library, **[\$12,194,000] \$13,599,000: Provided,** That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$35,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That not to exceed **[\$575,000] \$775,000** shall be available pursuant to 7 U.S.C. 2250 for the alteration and repair of buildings and improvements: *Provided further,* That \$370,000 shall be available for a grant pursuant to section 1472 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3318). (5 U.S.C. 301, 552, 5946; 7 U.S.C. 450b, 450i, 2201, 2202, 2204, 2206, 2242, 2242a, 2244, 2264, 2265, 3318; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-0300-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Agricultural information and library services	10,471	11,894	13,299
00.02	Repairs and maintenance of facilities	300	300	300
00.91	Total direct program	10,771	12,194	13,599
01.01	Reimbursable program	2,017	2,100	1,350
10.00	Total obligations	12,788	14,294	14,949
Financing:				
11.00	Offsetting collections from: Federal funds	-2,017	-2,100	-1,350
21.40	Unobligated balance available, start of year	-291		
25.00	Unobligated balance lapsing	619		
40.00	Budget authority (appropriation)	11,098	12,194	13,599
Relation of obligations to outlays:				
71.00	Obligations incurred, net	10,771	12,194	13,599
72.40	Obligated balance, start of year	2,675	4,674	5,034
74.40	Obligated balance, end of year	-4,674	-5,034	-5,538
90.00	Outlays	8,771	11,834	13,095

The primary purpose of NAL is to acquire, preserve, and disseminate a comprehensive collection of reliable information in all phases of the agricultural and allied sciences.

Agricultural information and library services.—The National Agricultural Library provides a variety of information products and services through: (1) the administration of a unique collection of books, journals, and other information materials about food and agriculture to ensure accessibility to their contents; (2) the development and maintenance of cooperative efforts in the library and related information areas, with other Federal

agencies and with educational institutions in each State; and (3) an active program of information dissemination. The funds in 1988 will be used to continue NAL's services and cooperative efforts with other libraries.

Repairs and maintenance of facilities.—These funds are used for maintaining the library building.

Object Classification (in thousands of dollars)

Identification code	12-0300-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	4,596	5,055	5,088
11.3	Other than full-time permanent	275	280	285
11.5	Other personnel compensation	109	110	115
11.9	Total personnel compensation	4,980	5,445	5,488
12.1	Civilian personnel benefits	642	786	837
13.0	Benefits for former personnel	5		
21.0	Travel and transportation of persons	82	86	93
22.0	Transportation of things	9	15	18
23.3	Communications, utilities, and miscellaneous charges	665	700	840
24.0	Printing and reproduction	151	175	210
25.0	Other services	2,087	2,346	3,262
26.0	Supplies and materials	1,495	1,871	2,251
31.0	Equipment	651	400	600
41.0	Grants, subsidies, and contributions	3	370	
99.0	Subtotal, direct obligations	10,771	12,194	13,599
99.0	Reimbursable obligations	2,017	2,100	1,350
99.9	Total obligations	12,788	14,294	14,949

Personnel Summary

Direct:				
Total number of full-time permanent positions	166	177	179	
Total compensable workyears:				
Full-time equivalent employment	173	187	189	
Full-time equivalent of overtime and holiday hours	5	5	5	
Reimbursable:				
Total number of full-time permanent positions	7	9	7	
Total compensable workyears: Full-time equivalent employment	7	9	7	

NATIONAL AGRICULTURAL STATISTICS SERVICE**Federal Funds****General and special funds:****NATIONAL AGRICULTURAL STATISTICS SERVICE**

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, **[\$61,176,000] \$64,086,000: Provided,** That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 411, 411a, 411b, 427, 471, 475, 476, 501, 951, 953, 955-57, 2201, 2202, 2248, 3103, 3311, 3504; 18 U.S.C. 1902, 1905, 2072; 42 U.S.C. 1891-93; 44 U.S.C. 3501-11; 50 U.S.C. 2061 et seq., 2251 et seq.; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-1801-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Crop and livestock estimates	54,218	57,630	60,443
00.02	Statistical research and service	3,392	3,546	3,643
00.91	Total direct program	57,610	61,176	64,086

General and special funds—Continued

NATIONAL AGRICULTURAL STATISTICS SERVICE—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-1801-0-1-352	1987 actual	1988 est.	1989 est.
01.01	Reimbursable program.....	8,254	6,500	6,500
10.00	Total obligations.....	65,865	67,676	70,586
Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-7,068	-5,493	-5,493
14.00	Non-Federal sources.....	-1,186	-1,007	-1,007
25.00	Unobligated balance lapsing.....	279		
40.00	Budget authority (appropriation).....	57,889	61,176	64,086
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	57,610	61,176	64,086
72.40	Obligated balance, start of year.....	7,670	4,226	11,379
74.40	Obligated balance, end of year.....	-4,226	-11,379	-11,947
77.00	Adjustments in expired accounts.....	-791		
90.00	Outlays.....	60,263	54,024	63,518

Crop and livestock estimates.—The Service provides the official National and State estimates of acreage, yield, and production of crops, stocks and value of farm commodities, and numbers of inventory values of livestock items. Data on approximately 120 crops and 45 livestock products are covered in some 300 reports issued each year. Data collected and published on prices paid and received by farmers are basic to computation of parity prices.

The work under this activity is conducted through 44 State offices serving the 50 States; most of these offices are operated as joint State and Federal services. Cooperative arrangements with State agencies provide additional State and county data. The major program modification in 1989 is an increase of \$1,200,000 to provide seasonal agricultural labor data to fulfill the requirements of the Immigration Reform and Control Act.

Statistical research and service.—This activity is designed to improve crop and livestock estimating techniques by improving sample survey designs and procedures and by testing new forecasting and estimating techniques, such as the use of satellite data.

Object Classification (in thousands of dollars)

Identification code	12-1801-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	26,828	27,703	28,020
11.3	Other than full-time permanent.....	858	886	896
11.5	Other personnel compensation.....	277	286	290
11.9	Total personnel compensation.....	27,963	28,875	29,206
12.1	Civilian personnel benefits.....	4,564	5,246	5,438
13.0	Benefits for former personnel.....	19	14	14
21.0	Travel and transportation of persons.....	951	1,058	1,150
22.0	Transportation of things.....	376	308	335
23.3	Communications, utilities, and miscellaneous charges...	3,779	3,866	4,204
24.0	Printing and reproduction.....	352	391	425
25.0	Other services.....	17,735	18,516	20,165
26.0	Supplies and materials.....	678	760	825
31.0	Equipment.....	1,192	2,142	2,324
43.0	Interest and dividends.....	1		
99.0	Subtotal, direct obligations.....	57,610	61,176	64,086
99.0	Reimbursable obligations.....	8,254	6,500	6,500
99.9	Total obligations.....	65,865	67,676	70,586

Personnel Summary

Total number of full-time permanent positions.....	980	977	967
Total compensable workyears:			
Full-time equivalent employment.....	1,059	1,057	1,047
Full-time equivalent of overtime and holiday hours.....	2	2	2

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code	12-8218-0-7-352	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations.....	153	173	150
Financing:				
21.40	Unobligated balance available, start of year.....	-23	-23	
24.40	Unobligated balance available, end of year.....	23		
60.00	Budget authority (appropriation) (permanent, indefinite).....	153	150	150
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	153	173	150
72.40	Obligated balance, start of year.....	77	126	149
74.40	Obligated balance, end of year.....	-126	-149	-149
90.00	Outlays.....	104	150	150

Miscellaneous funds received from local organizations, commodity groups, and others are available for dissemination of reports and for crop and livestock survey work under cooperative agreements (7 U.S.C. 450b, 450h).

Object Classification (in thousands of dollars)

Identification code	12-8218-0-7-352	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	49	50	50
11.3	Other than full-time permanent.....	1	2	2
11.9	Total personnel compensation.....	50	52	52
12.1	Civilian personnel benefits.....	8	8	8
21.0	Travel and transportation of persons.....	1	1	1
23.3	Communications, utilities, and miscellaneous charges.....	35	29	27
24.0	Printing and reproduction.....	53	42	40
25.0	Other services.....	4	40	21
26.0	Supplies and materials.....	2	1	1
99.9	Total obligations.....	153	173	150

Personnel Summary

Total number of full-time permanent positions.....	1	1	1
Total compensable workyears: Full-time equivalent employment....	2	2	2

ECONOMIC RESEARCH SERVICE

Federal Funds

General and special funds:

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and other laws, including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, costs and returns in farming, and farm finance; research relating to the economic and marketing aspects of farmer cooperatives; and for analyses of supply and demand for farm products in foreign countries and their effect on prospects for United

States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products, [\$48,186,000] \$49,771,000; of which not less than \$200,000 shall be available for investigation, determination and finding as to the effect upon the production of food and upon the agricultural economy of any proposed action affecting such subject matter pending before the Administrator of the Environmental Protection Agency for presentation, in the public interest, before said Administrator, other agencies or before the courts: *Provided*, That not less than \$350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and the consumer: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225): *Provided further*, That not less than \$145,000 of the funds contained in this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis. (7 U.S.C. 292, 411, 427, 1441a, 1704, 1761-68, 2201, 2202, 3103, 3291, 3311, 3504; 22 U.S.C. 3101; 42 U.S.C. 1891-93; 44 U.S.C. 3501-11; 50 U.S.C. 2061 et seq., 2251 et seq.; *Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-1701-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Direct program	44,767	48,396	49,771
01.01	Reimbursable program	1,877	1,013	1,013
10.00	Total obligations	46,644	49,409	50,784
Financing:				
11.00	Offsetting collections from: Federal funds	-1,877	-1,013	-1,013
21.40	Unobligated balance available, start of year	-47	-210	
24.40	Unobligated balance available, end of year	210		
25.00	Unobligated balance lapsing	47		
40.00	Budget authority (appropriation)	44,977	48,186	49,771
Relation of obligations to outlays:				
71.00	Obligations incurred, net	44,767	48,396	49,771
72.40	Obligated balance, start of year	6,022	7,730	8,584
74.40	Obligated balance, end of year	-7,730	-8,584	-9,075
77.00	Adjustments in expired accounts	103		
90.00	Outlays	43,162	47,542	49,280

The Economic Research Service performs agricultural economic and other social science research, outlook forecasting, policy analysis, and data collection and management related to U.S. and international agriculture, food, natural resources, and rural America.

Object Classification (in thousands of dollars)

Identification code	12-1701-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	27,985	29,907	30,790
11.3	Other than full-time permanent	382	407	419
11.5	Other personnel compensation	342	366	377
11.9	Total personnel compensation	28,709	30,680	31,586
12.1	Civilian personnel benefits	3,850	4,403	4,534
13.0	Benefits for former personnel	199	26	26
21.0	Travel and transportation of persons	535	774	804
22.0	Transportation of things	44	43	45
23.3	Communications, utilities, and miscellaneous charges	863	872	906
24.0	Printing and reproduction	346	400	416
25.0	Other services	8,508	9,843	10,046
26.0	Supplies and materials	492	533	554
31.0	Equipment	1,221	822	854
99.0	Subtotal, direct obligations	44,767	48,396	49,771
99.0	Reimbursable obligations	1,877	1,013	1,013
99.9	Total obligations	46,644	49,409	50,784

Personnel Summary

Total number of full-time permanent positions	757	784	804
Total compensable workyears: Full-time equivalent employment	813	840	860

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code	12-8227-0-7-352	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations	44	220	200
Financing:				
21.40	Unobligated balance available, start of year	-11	-20	
24.40	Unobligated balance available, end of year	20		
60.00	Budget authority (appropriation) (permanent, indefinite)	53	200	200
Relation of obligations to outlays:				
71.00	Obligations incurred, net	44	220	200
72.40	Obligated balance, start of year		-3	17
74.40	Obligated balance, end of year	3	-17	-17
90.00	Outlays	47	200	200

Miscellaneous funds received from States, local organizations, and others are available for support of economic research and analysis (7 U.S.C. 450b, 450h).

Object Classification (in thousands of dollars)

Identification code	12-8227-0-7-352	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent	19	14	14
12.1	Civilian personnel benefits	4	2	2
23.3	Communications, utilities, and miscellaneous charges	2	33	33
24.0	Printing and reproduction	7	22	22
25.0	Other services	12	147	127
26.0	Supplies and materials		2	2
99.9	Total obligations	44	220	200

Personnel Summary

Total number of full-time positions	1	1	1
Total compensable work years: Full-time equivalent employment	1	1	1

WORLD AGRICULTURAL OUTLOOK BOARD

Federal Funds

General and special funds:

WORLD AGRICULTURAL OUTLOOK BOARD

For necessary expenses of the World Agricultural Outlook Board to coordinate and review all commodity and aggregate agricultural and food data used to develop outlook and situation material within the Department of Agriculture, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), [\$1,730,000] \$1,906,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225). (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2100-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Direct program	1,628	1,730	1,906
01.01	Reimbursable program	25	29	29
10.00	Total obligations	1,653	1,759	1,935

General and special funds—Continued

WORLD AGRICULTURAL OUTLOOK BOARD—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-2100-0-1-352	1987 actual	1988 est.	1989 est.
Financing:				
11.00	Offsetting collections from: Federal funds	-25	-29	-29
25.00	Unobligated balance lapsing	16		
40.00	Budget authority (appropriation)	1,644	1,730	1,906
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1,628	1,730	1,906
72.40	Obligated balance, start of year	277	361	412
74.40	Obligated balance, end of year	-361	-412	-454
77.00	Adjustments in expired accounts	-14		
90.00	Outlays	1,530	1,679	1,864

The World Agricultural Outlook Board (WAOB) was established to provide a single focal point for the Nation's economic intelligence related to domestic and international food and agriculture.

The objectives of the WAOB are to improve the consistency, objectivity, and reliability of outlook and situation material being disseminated to the public and to integrate and coordinate USDA domestic and international economic information assistance.

The WAOB carries out these objectives through daily market surveillance and special analyses of international and domestic agricultural developments, direct participation in the planning of research programs supporting outlook and situation activities, and coordination of all departmental activities relating to weather and climate and remote sensing. The 1989 budget includes funds for economic analysis and coordination of supply/demand estimates, and meteorological data base expansion for improved crop forecasting.

Object Classification (in thousands of dollars)

Identification code	12-2100-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	1,096	1,195	1,283
11.3	Other than full-time permanent	40	14	15
11.9	Total personnel compensation	1,136	1,209	1,298
12.1	Civilian personnel benefits	127	146	160
21.0	Travel and transportation of persons	28	33	35
22.0	Transportation of things	3		
23.3	Communications, utilities, and miscellaneous charges	52	56	58
24.0	Printing and reproduction	21	22	23
25.0	Other services	135	165	229
26.0	Supplies and materials	32	37	33
31.0	Equipment	94	62	70
99.0	Subtotal, direct obligations	1,628	1,730	1,906
99.0	Reimbursable obligations	25	29	29
99.9	Total obligations	1,653	1,759	1,935

Personnel Summary

Total number of full-time permanent positions	30	30	31
Total compensable workyears: Full-time equivalent employment	26	30	31

FOREIGN AGRICULTURAL SERVICE

Federal Funds

General and special funds:

FOREIGN AGRICULTURAL SERVICE

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954, as amended (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$110,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), **[\$92,017,000] \$89,057,000: Provided,** That not less than \$255,000 of this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further,* That, hereafter, notwithstanding any other provision of law, upon the request of the Secretary of Agriculture, the Secretary of State shall accord the diplomatic title of Minister-Counselor to the senior Foreign Agricultural Service Officer assigned to any United States mission abroad: *Provided further,* That the number of Agricultural Counselors accorded such diplomatic title at any time shall not exceed eight: *Provided further,* That funds available to the Foreign Agricultural Service under this and subsequent appropriations Acts shall be available to contract with individuals for services to be performed outside the United States as determined by the Service to be necessary or appropriate for carrying out programs and activities abroad. Such individuals shall not be regarded as officers or employees of the United States under any law, including any law administered by the Office of Personnel Management. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

[SEC. 6. AUTHORIZATION OF APPROPRIATIONS.]

[There are authorized to be appropriated such sums as may be necessary to carry out this chapter: *Provided,* That \$200,000 is appropriated to carry out this chapter for fiscal year 1988.] (*Section 157, Public Law 100-202.*)

GENERAL SALES MANAGER

(INCLUDING TRANSFERS OF FUNDS)

Not to exceed **[\$7,157,000] \$7,268,000** may be transferred from the Commodity Credit Corporation funds to support the General Sales Manager, of which up to \$4,000,000 shall be available only for the purpose of selling surplus agricultural commodities from Commodity Credit Corporation inventory in world trade at competitive prices for the purpose of regaining and retaining our normal share of world markets. The General Sales Manager shall report directly to the Secretary of Agriculture. The General Sales Manager shall obtain, assimilate, and analyze all available information on developments related to private sales, as well as those funded by the Corporation, including grade and quality as sold and as delivered, including information relating to the effectiveness of greater reliance by the General Sales Manager upon loan guarantees as contrasted to direct loans for financing commercial export sales of agricultural commodities out of private stocks on credit terms, as provided in titles I and II of the Agricultural Trade Act of 1978, Public Law 95-501, and shall submit **[quarterly] annual** reports to the appropriate committees of Congress concerning such developments. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2900-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Foreign agricultural affairs	23,313	25,572	25,572
00.02	Foreign market information and access	11,776	14,145	14,145
00.03	Foreign market development	48,070	52,500	49,340
00.91	Total direct program	83,159	92,217	89,057
01.01	Reimbursable program	2,726	2,863	2,877
10.00	Total obligations	85,885	95,080	91,934

Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-2,233	-2,593	-2,607
14.00	Non-Federal sources.....	-493	-270	-270
25.00	Unobligated balance lapsing.....	624		
40.00	Budget authority (appropriation)	83,783	92,217	89,057
Relation of obligations to outlays:				
71.00	Obligations incurred, net	83,159	92,217	89,057
72.40	Obligated balance, start of year	49,765	53,771	58,147
74.40	Obligated balance, end of year	-53,771	-58,147	-57,852
77.00	Adjustments in expired accounts.....	-1,030		
90.00	Outlays.....	78,122	87,841	89,352

The Foreign Agricultural Service mission is to help American farmers and traders take maximum advantage of increased opportunities to sell U.S. agricultural commodities abroad and to help increase U.S. farm income.

Activities are conducted within three program areas:

Foreign agricultural affairs.—The Service maintains agricultural counselors, attachés or trade officers at 76 foreign posts to assist overseas development of markets for U.S. farm commodities. They work closely with numerous U.S. agricultural trade groups and maintain significant contacts with foreign governments and traders to promote market access for U.S. farm products. They also file annually about 4,500 comprehensive reports regarding foreign agricultural production, supply, demand, marketing and trade policy developments to keep U.S. agriculture, industry, and Government currently informed.

PROGRAM STATISTICS

	1987 actual	1988 est.	1989 est.
Number of countries covered.....	110	110	110
Number of trade and Government visitors.....	25,000	26,000	26,000
Number of posts accessible by telecommunications ¹	66	69	74

¹ Global Economic Data Exchange System.

Foreign market information and access.—Under this broad program heading, the Service initiates, directs, and coordinates the Department's formulation of trade policies and programs with the goal of maintaining and expanding world markets for U.S. agricultural products. The Service is responsible for the development and maintenance of the USDA statistical data base encompassing foreign production estimates, trade data, export forecasts, economic indicators, price data and export sales reporting. These data are collected, analyzed, and disseminated to U.S. farm and trade groups providing ready access to reliable information to assess short-term changes in world agricultural supply and demand conditions by commodity.

The analyses of world commodity conditions provide the information necessary to develop export marketing strategies that can be used by the Department not only to gain market access but to enhance the long term market development plans for major U.S. commodities.

Foreign market development.—This program provides funding support to 47 commodity associations (cooperators), 9 contractors participating in the export incentive program, 4 regional groups (representing 47 State departments of agriculture) and the National Association of State Departments of Agriculture. Under FAS guidance and supervision, these organizations conduct an extensive worldwide market development program on behalf of the U.S. farm sector. In addition, the Service

develops and operates a worldwide system of multicommodity promotional programs utilizing product exhibits, trade teams, trade services, market information programs, and trade referral services to expand overseas markets. Historically, FAS contributes approximately 30 percent of the total annual cost of this program.

PROGRAM STATISTICS

	1987 actual	1988 est.	1989 est.
Number of commodity associations and firms actively working with FAS	69	81	81
Number of agricultural trade offices (ATO)	15	15	15
Number of countries covered by ATO's.....	33	33	33
Number of visitors to ATO's.....	7,300	8,000	8,300

Object Classification (in thousands of dollars)

Identification code	12-2900-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	23,906	25,910	26,319
11.3	Other than full-time permanent	626	658	658
11.5	Other personnel compensation.....	305	317	317
11.9	Total personnel compensation.....	24,837	26,885	27,294
12.1	Civilian personnel benefits	3,960	5,638	5,972
13.0	Benefits for former personnel.....	96	99	100
21.0	Travel and transportation of persons	2,208	2,765	2,570
22.0	Transportation of things.....	901	914	915
23.2	Rental payments to others.....	3,681	4,159	4,450
23.3	Communications, utilities, and miscellaneous charges...	1,920	2,049	2,110
24.0	Printing and reproduction	561	558	560
25.0	Other services.....	42,187	46,826	43,081
26.0	Supplies and materials.....	1,354	1,154	1,000
31.0	Equipment.....	1,449	1,165	1,000
42.0	Insurance claims and indemnities	5	5	5
99.0	Subtotal, direct obligations.....	83,159	92,217	89,057
99.0	Reimbursable obligations	2,726	2,863	2,877
99.9	Total obligations.....	85,885	95,080	91,934

Personnel Summary

Direct:			
Total number of full-time permanent positions	702	722	722
Total compensable workyears:			
Full-time equivalent employment	689	704	704
Full-time equivalent of overtime and holiday hours.....	2	2	2
Reimbursable:			
Total number of full-time permanent positions	2	3	3
Total compensable workyears: Full-time equivalent employment.	2	3	3

OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT

Federal Funds

General and special funds:

OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT (INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of International Cooperation and Development to coordinate, plan, and direct activities involving international development, technical assistance and training, and international scientific and technical cooperation in the Department of Agriculture, including those authorized by the Food and Agriculture Act of 1977 (7 U.S.C. 3291), **[\$5,295,000] \$3,972,000: Provided,** [That in addition, funds available to the Department of Agriculture shall be available to assist an international organization in meeting the costs, including salaries, fringe benefits and other associated costs, related to the employment by the organization of Federal personnel that may transfer to the organization under the provisions of 5 U.S.C. 3581-3584, or of other well-qualified United States citizens, for the performance of activities that contribute to increased understanding

General and special funds—Continued

OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT—
Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

of international agricultural issues, with transfer of funds for this purpose from one appropriation to another or to a single account authorized, such funds remaining available until expended: *Provided further,* That the Office may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1736) and the foreign assistance programs of the International Development Cooperation Administration (22 U.S.C. 2392). (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 12-3200-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:			
Direct program:			
00.01 International agricultural development	1,990	1,792	300
00.02 International scientific and technical cooperation	3,159	3,503	3,672
00.91 Total direct program	5,149	5,295	3,972
Reimbursable program:			
01.01 Technical assistance and analyses to aid foreign development	21,897	22,000	22,000
01.02 Subsistence, tuitions, and training for foreign nationals in the United States	12,687	13,000	13,000
01.03 International research	1,142	1,000	1,000
01.91 Total reimbursable program	35,726	36,000	36,000
10.00 Total obligations	40,875	41,295	39,972
Financing:			
11.00 Offsetting collections from: Federal funds	-35,726	-36,000	-36,000
40.00 Budget authority (appropriation)	5,149	5,295	3,972
Relation of obligations to outlays:			
71.00 Obligations incurred, net	5,149	5,295	3,972
72.10 Receivables in excess of obligations, start of year	-23,851	-66,418	-66,372
74.10 Receivables in excess of obligations, end of year	66,418	66,372	66,609
77.00 Adjustments in expired accounts	-15,137		
90.00 Outlays	32,579	5,249	4,209

The mission of the Office of International Cooperation and Development (OICD) is to promote U.S. agriculture and to advance the agriculture of developing countries as parts of a complementary global agricultural system capable of providing ample food and fiber for all people.

International agricultural development.—OICD analyzes agricultural policy issues related to USDA's international agricultural development efforts, and supports the Cancun Presidential Agricultural Task Forces and the International Science and Education Council. The Agency also formulates and reviews food aid development activities supported by Public Law 480 Titles I and III agreements.

International scientific and technical cooperation.—OICD manages the Department's bilateral exchange and cooperative research programs with foreign governments and institutions in order to strengthen the role of science and technology in the ongoing effort to stabilize world food supplies and to increase the efficiency with which world resources are used. Priorities and criteria for these programs are based on domestic research priorities, potential benefits to U.S. agricultural production, and the availability of desired technologies.

OICD coordinates USDA's and the U.S. Government's participation in approximately 30 international organizations concerned with food, agriculture and rural development.

Reimbursable program.—OICD, utilizing USDA and university expertise, provides technical assistance and training to developing countries at the request of AID and international organizations. OICD manages technical assistance projects in over 50 countries, focusing on land and water management, crop and livestock production and marketing, forestry, pest control, resource conservation and other areas. OICD offers a technical and management training program in agriculture and rural development to participants from foreign countries and designees of international organizations.

Object Classification (in thousands of dollars)

Identification code 12-3200-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	2,144	2,099	2,123
11.3 Other than full-time permanent	44	43	43
11.9 Total personnel compensation	2,188	2,142	2,166
12.1 Civilian personnel benefits	329	343	368
21.0 Travel and transportation of persons	529	530	530
22.0 Transportation of things	25	26	26
23.2 Rental payments to others	3	4	4
23.3 Communications, utilities, and miscellaneous charges	90	95	95
24.0 Printing and reproduction	34	38	38
25.0 Other services	1,557	1,715	495
26.0 Supplies and materials	30	32	30
31.0 Equipment	67	70	70
41.0 Grants, subsidies, and contributions	297	300	150
99.0 Subtotal, direct obligations	5,149	5,295	3,972
99.0 Reimbursable obligations	35,726	36,000	36,000
99.9 Total obligations	40,875	41,295	39,972

Personnel Summary

Direct:			
Total number of full-time permanent positions	62	62	62
Total compensable workyears: Full-time equivalent employment	57	57	57
Reimbursements:			
Total number of full-time permanent positions	137	138	138
Total compensable workyears:			
Full-time equivalent employment	143	131	130
Full-time equivalent of overtime and holiday hours	4	4	4

[SCIENTIFIC ACTIVITIES OVERSEAS (FOREIGN CURRENCY PROGRAM)]

[For payments in foreign currencies owed to or owned by the United States for market development research authorized by section 104(b)(1) and for agricultural and forestry research and other functions related thereto authorized by section 104(b)(3) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)(1), (3)), \$1,500,000: *Provided*, That this appropriation shall be available, in addition to other appropriations for these purposes, for payments in the foregoing currencies: *Provided further*, That funds appropriated herein shall be used for payments in such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph: *Provided further*, That not to exceed \$25,000 of this appropriation shall be available for payments in foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), as amended by 5 U.S.C. 3109.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-1404-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Market development research (sec. 104(b)(1))	417	150	62
00.02	Agricultural and forestry research (sec. 104(b)(3))	3,750	1,350	553
10.00	Total obligations	4,167	1,500	615
Financing:				
21.40	Unobligated balance available, start of year	-4,366	-2,699	-2,699
24.40	Unobligated balance available, end of year	2,699	2,699	2,084
40.00	Budget authority (appropriation)	2,500	1,500	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net	4,167	1,500	615
72.40	Obligated balance, start of year	11,199	11,698	11,225
74.40	Obligated balance, end of year	-11,698	-11,225	-11,106
90.00	Outlays	3,668	1,973	734

As authorized by the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), as amended, USDA uses foreign currencies to support research on problems of mutual interest to the United States and participating foreign countries. After 1988, special foreign currency programs will be discontinued.

Object Classification (in thousands of dollars)

Identification code	12-1404-0-1-352	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent	26	.....	.....
12.1	Civilian personnel benefits	2	.....	.....
21.0	Travel and transportation of persons	85	85	85
22.0	Transportation of things	1	1	1
23.3	Communications, utilities, and miscellaneous charges	21	21	21
24.0	Printing and reproduction	1	1	1
25.0	Other services	225	200	100
26.0	Supplies and materials	9	10	10
41.0	Grants, subsidies, and contributions	3,797	1,182	397
99.9	Total obligations	4,167	1,500	615

Personnel Summary

Total number of full-time permanent positions	2	2	.....
Total compensable workyears: Full-time equivalent employment	2	2	.....

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code	12-8232-0-7-352	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations	3,618	5,188	5,188
Financing:				
21.40	Unobligated balance available, start of year	-3,900	-2,946	-2,946
24.40	Unobligated balance available, end of year	2,946	2,946	2,946
60.00	Budget authority (appropriation) (permanent, indefinite)	2,664	5,188	5,188
Relation of obligations to outlays:				
71.00	Obligations incurred, net	3,618	5,188	5,188
72.40	Obligated balance, start of year	1,107	1,816	1,816
74.40	Obligated balance, end of year	-1,816	-1,816	-1,816
90.00	Outlays	2,909	5,188	5,188

Miscellaneous funds are received from the Department of State and from Saudi Arabia and other developing countries for USDA development assistance and international research projects (22 U.S.C. 2392).

Object Classification (in thousands of dollars)

Identification code	12-8232-0-7-352	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent	904	922	922
12.1	Civilian personnel benefits	147	148	148
21.0	Travel and transportation of persons	158	160	160
22.0	Transportation of things	42	45	45
23.2	Rental payments to others	97	100	100
24.0	Printing and reproduction	1	5	5
25.0	Other services	1,566	2,483	2,483
26.0	Supplies and materials	50	165	165
31.0	Equipment	100	600	600
41.0	Grants, subsidies, and contributions	553	560	560
99.9	Total obligations	3,618	5,188	5,188

Personnel Summary

Total number of full-time permanent positions	16	16	16
Total compensable workyears: Full-time equivalent employment	16	16	16

FOREIGN ASSISTANCE PROGRAMS

Facilities and funds of the Commodity Credit Corporation may by law be used in carrying out programs for exporting agricultural commodities.

Included in this category are the following activities carried out under the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, 83d Congress, as amended: Financing sales of agricultural commodities for dollars on credit terms, for convertible foreign currency on credit terms, or for convertible foreign currency for use under section 108 of the Act; furnishing commodities to carry out the Food for Progress Act of 1985 (titles I and III); and for dispositions abroad (title II).

No agreements to finance sales under the authority of title I or programs of assistance under title II may be entered into after December 31, 1990.

Federal Funds

General and special funds:

PUBLIC LAW 480

(INCLUDING TRANSFERS OF FUNDS)

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1691, 1701-1715, 1721-1726, 1727-1727f, 1731-1736g), as follows: (1) financing the sale of agricultural commodities for convertible foreign currencies and for dollars on credit terms pursuant to titles I and III of said Act, or for convertible foreign currency for use under 7 U.S.C. 1708, and for furnishing commodities to carry out the Food for Progress Act of 1985, not more than **[\$852,000,000]** *\$812,000,000*, of which **[\$429,596,000]** *\$428,200,000* is hereby appropriated and the balance derived from proceeds from sales of foreign currencies and dollar loan repayments, repayments on long-term credit sales, carryover balances and commodities made available from the inventories of the Commodity Credit Corporation by the Secretary of Agriculture pursuant to sections 102 and 403(b) of said Act, and (2) commodities supplied in connection with dispositions abroad, pursuant to title II of said Act, not more than **[\$630,000,000]** *\$595,000,000*, of which **[\$630,000,000]** *\$595,000,000* is hereby appropriated: *Provided*, That not to exceed **[10]** 15 per centum of the funds made available to carry out any title of this paragraph may be used to carry out any other title of this paragraph. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

General and special funds—Continued

PUBLIC LAW 480—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

Program and Financing (in thousands of dollars)

Identification code	12-2274-0-1-151	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Financing the sale of agricultural commodities for foreign currencies and for dollars on credit terms (titles I and III).....	876,602	852,000	812,000
00.02	Commodities supplied in connection with dispositions abroad (title II).....	552,300	630,000	595,000
00.91	Total program level.....	1,428,902	1,482,000	1,407,000
01.01	Amount financed by balance in CCC and by receipts.....	-345,831	-422,404	-383,800
10.00	Total obligations (object class 25.0).....	1,083,071	1,059,596	1,023,200
Financing:				
39.00	Budget authority.....	1,083,071	1,059,596	1,023,200
Budget authority:				
40.00	Appropriation.....	1,383,071	1,059,596	1,023,200
41.00	Transferred to other accounts.....	-300,000		
43.00	Appropriation (adjusted).....	1,083,071	1,059,596	1,023,200
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,083,071	1,059,596	1,023,200
72.40	Obligated balance, start of year.....	710,809	823,942	728,904
74.40	Obligated balance, end of year.....	-823,942	-728,904	-670,354
90.00	Outlays.....	969,938	1,154,634	1,081,750

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority.....	1,083,071	1,059,596	1,023,200
Outlays.....	969,938	1,154,634	1,081,750
Credit reform:			
Budget authority.....			-214,223
Outlays.....			-194,278
Total:			
Budget authority.....	1,083,071	1,059,596	808,977
Outlays.....	969,938	1,154,634	887,472

Status of Direct Loans (in thousands of dollars)

Identification code	12-2274-0-1-151	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans.....			
1131	Direct loan obligations exempt from limitation.....	803,662	777,200	738,700
1150	Total direct loan obligations.....	803,662	777,200	738,700
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year.....	10,622,254	11,219,302	11,762,389
1231	Disbursements: Direct loan disbursements.....	740,203	779,582	742,165
1251	Repayments: Repayments and prepayments.....	-206,614	-236,495	-243,240
1261	Adjustments: Capitalized interest.....	63,459		
1290	Outstanding, end of year.....	11,219,302	11,762,389	12,261,314
Estimate of direct loan subsidy:				
1320	Subsidy amount (in percent).....	70.2	70.3	70.0
1330	Subsidy amount (in thousands of dollars).....	564,171	546,372	517,090

RECONCILIATION OF PROGRAM LEVEL TO PROGRAM COSTS FUNDED BY CCC

(In thousands of dollars)

Titles I/III	1987 actual	1988 est.	1989 est.
Gross commodity costs.....	784,623	788,000	749,700
Ocean freight differential and ocean transportation.....	111,758	79,800	77,300
Subtotal.....	896,381	867,800	827,000
Initial payments to exporters.....	-19,779	-15,800	-15,000
Total program level, current year.....	876,602	852,000	812,000

Prior year obligations financed.....	210,541	210,972	210,972
Obligations financed in succeeding year.....	-210,972	-210,972	-210,972
Total program costs, funded.....	876,171	852,000	812,000

Title II

Commodity costs.....	372,100	384,043	369,556
Ocean and inland transportation.....	180,200	245,957	225,444
Total program level, current year.....	552,300	630,000	595,000
Prior year obligations financed.....	367,358	446,329	446,329
Obligations financed in succeeding year.....	-446,329	-446,329	-446,329
Total program costs, funded.....	473,329	630,000	595,000

Financing the sale of agricultural commodities for convertible foreign currencies and for dollars on credit terms; for convertible foreign currency for use under section 108; and furnishing commodities to carry out the Food for Progress Act of 1985 (titles I and III).—The Corporation finances all sales made pursuant to agreements concluded under the authority of title I, and may serve as the purchasing or shipping agent, or both, if the purchaser so requests. Sales are made to friendly countries—as defined in section 103(d) of the act—and must not displace expected commercial sales for cash dollars (secs. 103 (c) and (n)).

Agreements may not be made under title I in any calendar year which call for an appropriation to reimburse the Corporation in excess of \$1.9 billion, plus unused prior years' authorizations.

Whenever practicable, terms of agreements must require payment at time of delivery of not less than 5% of the purchase price in dollars or in currencies convertible to dollars. These initial payments are applied against costs to reduce appropriation requests.

When U.S.-flag vessels are required to ship commodities under this title, the Corporation will pay the difference between U.S.-flag rates and foreign-flag rates. In limited cases, full transportation costs to port of entry or point of entry abroad may be included along with the cost of the commodity in the amount financed by CCC in order to ensure that U.S. food aid would reach the most needy recipients.

Use of foreign currency (title I).—Certain U.S. uses of foreign currencies are subject to the appropriation process. The Corporation is reimbursed for the dollar value of currencies so used. Proceeds from sales of foreign currencies and from dollar repayments of foreign currency loans are applied as a reduction in appropriation requests.

Financing sales of agricultural commodities for dollars or convertible foreign currencies on credit terms (title I).—Agreements are made with friendly countries for delivery in annual installments for not more than 10 years from the date of the agreement subject to the availability of the commodity.

Credit terms are to be no less favorable than those required by section 122 of the Foreign Assistance Act of 1961, as amended, for loans made under that section.

Repayments under dollar credit agreements are not more than 20 years with a grace period of not more than 2 years on repayment of principal. Convertible foreign currency terms permit repayment of up to 40 years with deferral of principal payments for up to 10 years. As payments are received each year, they are

applied against current costs to reduce appropriation requests.

Financing sales of agricultural commodities for convertible foreign currencies to be used pursuant to section 108 (title I).—Title I sales may be financed for convertible foreign currencies which are then loaned to financial intermediaries in the recipient country pursuant to agreements whereby the intermediaries would reloan the funds to promote private enterprise institutions. Funds repaid by the financial intermediaries may be used to finance additional private enterprise investment, develop new markets, pay U.S. obligations, or be converted to dollars.

Furnishing commodities to carry out the Food for Progress Act of 1985 (title I).—Funds appropriated to carry out title I may be used to furnish commodities to carry out the Food for Progress Act of 1985. Such commodities may be furnished on credit terms or on a grant basis in order to assist countries that have made a commitment to introduce and expand free enterprise elements in their agricultural economies.

Total title I agreements made since inception to September 30, 1987, amount to \$16,844.0 million cost value, including ocean freight for shipment on U.S. ships. Major commodities are wheat, cotton, oils, rice, and feed grains. Payments received during the period amount to \$4,506.9 million, of which \$2,748.9 million was applied to principal and \$1,758.0 million to interest.

The following table reflects the composition of the combined appropriations (in thousands of dollars):

SALES FOR DOLLARS ON CREDIT TERMS

Item:	1987 actual	1988 est.	1989 est.
Expenses of shipments:			
Commodity costs:			
Foreign currency.....	22,287	40,400	41,700
Long-term credit.....	730,908	731,800	693,000
Total commodity costs.....	753,195	772,200	734,700
Ocean freight and freight differential (support of U.S. Merchant Marine):			
Foreign currency.....	1,379	4,100	4,100
Long-term credit.....	121,597	75,700	73,200
Total ocean freight and freight differential.....	122,976	79,800	77,300
Total foreign currency.....	23,666	44,500	45,800
Total long-term credit.....	852,505	807,500	766,200
Total expenses of shipments.....	876,171	852,000	812,000
Deduct collections:			
Proceeds from sales and use of currencies and loan repayments (foreign currency).....	-72,746	.....	.....
Payments from foreign governments, including interest, applied to reduce appropriation (long-term credit).....	-306,816	-321,000	-332,000
Total foreign currency.....	-49,080	44,500	45,800
Total long-term credit.....	545,689	486,500	434,200
Total.....	496,609	531,000	480,000
Prior years' costs or funds brought or carried forward:			
1986: Funds: Long-term credit.....	-344,014	.....	.....
1987: Funds: Long-term credit.....	364,209	-364,209	.....
1988: Funds: Long-term credit.....	.....	262,805	-262,805
1989: Funds: Long-term credit.....	.....	.....	211,005
Funds transferred for reimbursement of food security wheat reserve.....	13,922	.....	.....
Foreign currency funds applied to long-term credit costs:			
Foreign currency.....	72,746	.....	.....
Long-term credit.....	-72,746	.....	.....
Appropriation or estimate: Long-term credit.....	530,726	429,596	428,200

Commodities supplied in connection with dispositions abroad (title II).—Under title II, agricultural commodities are furnished to developing countries to meet famine or other emergency relief needs and to combat malnutrition. They are furnished through friendly governments, private voluntary agencies, foreign nonprofit voluntary agencies if no such U.S. agency is available, and intergovernmental organizations such as the United Nations World Food Program.

The Corporation is authorized to pay the costs of acquisition, packaging, processing, enrichment, preservation, fortification, transportation, handling, and other incidental costs incurred up to the time of delivery to U.S. ports. The Corporation also pays ocean freight charges, and pays transportation costs to points of entry other than ports in the case of landlocked countries, where carriers to a specific country are unavailable, where ports cannot be used effectively, or where a substantial saving in costs or time can be obtained, and pays general average contributions arising from ocean transport. In addition, transportation costs from designated points of entry or ports of entry abroad to storage and distribution sites and associated storage and distribution costs may be paid for commodities made available to meet urgent and extraordinary relief requirements.

Up to \$7.5 million each year may be used to buy foreign currencies accruing under title I of this act to meet costs directed to community and other self-help activities designed to alleviate the causes of the need for such aid. Such costs may not include personnel and administrative costs of cooperating sponsors, distributing agencies and recipient agencies.

Through September 30, 1987, appropriations totaling \$18,850 million were authorized. Beginning October 1, 1985, no programs of assistance shall be undertaken under this title during any fiscal year which call for an appropriation of more than \$1 billion to reimburse the Corporation. This limitation applies to costs incurred, including its investment in commodities (but only on the basis of a price not greater than the export market price of commodities acquired under a price support program), plus any amount by which programs of assistance undertaken under this title in the preceding fiscal year have called or will call for appropriations in amounts less than authorized during the preceding year. This limitation may be waived if the President determines that a waiver is necessary to undertake programs to meet urgent humanitarian needs. Any incidental sales proceeds and proceeds from loss, damage, and other claims are applied against costs to reflect a reduction in appropriation requests.

The following reflects the composition of the appropriations (in thousands of dollars):

COMMODITIES SUPPLIED IN CONNECTION WITH DISPOSITIONS ABROAD

Item:	1987 actual	1988 est.	1989 est.
Expenses of shipments:			
Commodity Credit Corporation stocks and other costs in connection with commodities supplied.....	282,565	384,043	369,556
Ocean transportation.....	190,764	245,957	225,444
Total program costs.....	473,329	630,000	595,000
Prior years' costs or funds brought or carried forward:			
1986: Funds.....	-366,795	.....	.....
1987: Funds.....	414,732	-414,732	.....

General and special funds—Continued

PUBLIC LAW 480—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

COMMODITIES SUPPLIED IN CONNECTION WITH DISPOSITIONS ABROAD—Continued

1988: Funds.....	414,732	—414,732	
1989: Funds.....		414,732	
Funds transferred for reimbursement of Food Security Wheat Reserve.....	31,078		
Appropriation or estimate.....	552,344	630,000	595,000

PUBLIC LAW 480

(Proposed for latest transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 12-2274-6-1-151	1987 actual	1988 est.	1989 est.
Program by activities:			
Direct program:			
00.01 Financing the sale of agricultural commodities for foreign currencies and for dollars on credit terms (titles I and III).....			—738,700
00.03 Direct loan subsidy.....			517,090
00.91 Total program level funded.....			—221,610
01.01 Amount financed by balance in CCC and by receipts.....			7,387
10.00 Total obligations.....			—214,223
Financing:			
40.00 Budget authority (appropriation).....			—214,223
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			—214,223
74.40 Obligated balance, end of year.....			19,945
90.00 Outlays.....			—194,278

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations made by this program. An explanation of the proposal is included in Part 6b of the Budget.

Object Classification (in thousands of dollars)

Identification code 12-2274-6-1-151	1987 actual	1988 est.	1989 est.
33.0 Investments and loans.....			—731,313
42.0 Insurance claims and indemnities.....			517,090
99.9 Total obligations.....			—214,223

AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); the Agricultural Act of 1949, as amended (7 U.S.C. 1421 et seq.); sections 7 to 15, 16(a), 16(f), and 17 of the Soil Conservation and Domestic Allotment Act, as amended and supplemented (16 U.S.C. 590g-590o, 590p(a), 590p(f), and 590q); sections 1001 to 1004, 1006 to 1008, and 1010 of the Agricultural Act of 1970 as added by the Agriculture and Consumer Protection Act of 1973 (16 U.S.C. 1501 to 1504, 1506 to 1508, and 1510); the Water Bank Act, as amended (16 U.S.C. 1301-1311); the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101); sections 202(c) and 205 of title

II of the Colorado River Basin Salinity Control Act of 1974, as amended (43 U.S.C. 1592(c), 1595); sections 401, 402, and 404 to 406 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201 to 2205); the United States Warehouse Act, as amended (7 U.S.C. 241-273); and laws pertaining to the Commodity Credit Corporation, not to exceed [\$565,000,000] \$580,000,000, to be derived by transfer from the Commodity Credit Corporation fund: *Provided*, That other funds made available to the Agricultural Stabilization and Conservation Service for authorized activities may be advanced to and merged with this account: *Provided further*, That these funds shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That no part of the funds made available under this Act shall be used (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than advisory and supervisory duties and delegated program functions prescribed in administrative regulations. (7 U.S.C. 135b, 442-445, 447-449, 450j-1, 608c, 624, 1282, 1421-33, 1441-49, 1691-92, 1701-10, 1721-24, 1731-36f, 1781-87, 1838, 1851-54, 1856-57, 1859; 15 U.S.C. 712a, 713a-4-713a-13, 714-714p; 31 U.S.C. 9101, 9103-9109; 40 U.S.C. App. A203, A401-5; 50 U.S.C. App. 1917; Public Law 96-108; Public Law 96-528; Public Law 97-103; Public Law 97-370; Public Law 99-500; Public Law 99-591; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 12-3300-0-1-351	1987 actual	1988 est.	1989 est.
Program by activities:			
00.01 Program formulation and appraisal.....	21,809	23,978	23,024
00.02 Operation of supply adjustment, conservation, and price support programs.....	506,935	557,331	535,160
00.03 Inventory management and merchandising.....	60,715	66,750	64,095
00.04 Warehouse examination.....	5,380	6,075	6,101
10.00 Total obligations.....	594,839	654,134	628,380
Financing:			
Offsetting collections from:			
Federal funds:			
11.00 Commodity Credit Corporation fund.....	—532,686	—565,000	—580,000
11.00 Other.....	—28,350	—28,371	—27,847
14.00 Non-Federal sources.....	—33,803	—60,763	—20,533
39.00 Budget authority.....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	44,651	30,678	30,554
72.40 Obligated balance, start of year.....	—30,678	—30,554	—30,554
74.40 Obligated balance, end of year.....	1,662		
77.00 Adjustments in expired accounts.....			
90.00 Outlays.....	15,635	124	

This account includes funds to cover expenses of programs administered by, and functions assigned to, the Service. The funds consist of transfers from the Commodity Credit Corporation (CCC), user fees, and miscellaneous advances from other sources. This is a consolidated account for administrative expenses of national, commodity, State, and county offices.

Program formulation and appraisal.—The supply adjustment, conservation, and commodity support programs, and the management and merchandising of commodities acquired under the support program, have a tremendous impact on the national and (to a lesser extent) the international economy. This activity provides for constant review of the effectiveness of these programs. It also provides for the analysis of data to formulate more effective programs.

Operation of supply adjustment, conservation, and price support programs.—This activity includes all func-

tions dealing with the administration of programs carried out through the farmer committee system, including: (a) developing program regulations and procedures; (b) holding meetings with employees and producers to discuss new programs or changes in existing programs; (c) collecting and compiling basic data for individual farms; (d) establishing individual farm allotments, bases, and yields; (e) notifying producers of established allotments, bases, and yields; (f) determining farm marketing quotas; (g) handling appeals; (h) conducting referendums and certifying results; (i) accepting farmer certifications and checking compliance; (j) accepting producer applications for participation in commodity price stabilizing programs; (k) issuing marketing cards so that production from the allotted acreage can be marketed without penalty; (l) processing producer requests for conservation cost-sharing and issuing conservation reserve rental payments; (m) processing commodity loan and storage facility loan documents and issuing checks; (n) processing disaster, deficiency, and diversion payments and issuing checks and commodity certificates; and (o) monitoring payment limitations.

Inventory management and merchandising.—This activity includes: (a) overall management of CCC-owned commodities; (b) purchasing commodities; (c) donating commodities; (d) selling commodities; (e) processing the redemption of commodity certificates for CCC inventory; and (f) accounting for loans and commodities.

Warehouse examination.—This activity provides for the examination of warehouses licensed under the U.S. Warehouse Act and non-licensed warehouses storing CCC-owned or pledged commodities. ASCS examiners perform periodic examinations of the facilities and the warehouse records to ensure protection of depositors against potential losses of the stored commodities and to ensure compliance with the U.S. Warehouse Act and any CCC storage agreements.

Automated data processing.—ADP in ASCS is integral to the agency's long range Information Resources Management Plan. The plan calls for the utilization of modern technology wherever it is feasible and cost-beneficial. ASCS recently implemented a national network of computer systems in support of CCC operations. All State and county ASCS offices now utilize computer-based procedures to conduct day-to-day support to producers. Most farm and producer data are currently maintained on the county office computers and are automatically accessed, used, and updated simultaneously while servicing the producers. Other facets of the plan include contractor assistance being utilized for developing and implementing a processed commodities inventory system and the proposed automation of tobacco marketing sites. Equipment purchases for these new systems represent a capital investment under the statutory authority of the Commodity Credit Corporation Charter Act.

The fiscal year 1989 budget for salaries and expenses reflects the continuing impact of the 1985 Farm Bill, and the impact of zero funding for all ASCS conservation programs, except for the Conservation Reserve Program.

Object Classification (in thousands of dollars)

Identification code	12-3300-0-1-351	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent	78,329	84,012	84,403
11.3	Other than full-time permanent	8,883	9,956	8,149
11.5	Other personnel compensation	3,818	3,928	3,652
11.9	Total personnel compensation	91,030	97,896	96,204
12.1	Civilian personnel benefits	13,051	14,058	14,167
13.0	Benefits for former personnel	711	855	838
21.0	Travel and transportation of persons	5,027	5,512	5,537
22.0	Transportation of things	1,263	1,157	1,219
23.1	Rental payments to GSA	32	33	34
23.3	Communications, utilities, and miscellaneous charges	17,000	22,524	24,287
24.0	Printing and reproduction	3,543	3,875	3,848
25.0	Other services	21,284	26,564	26,284
26.0	Supplies and materials	3,850	4,602	5,134
31.0	Equipment	549	693	850
41.0	Grants, subsidies, and contributions	437,333	476,250	449,863
42.0	Insurance claims and indemnities	19	67	67
43.0	Interest and dividends	2	8	8
44.0	Refunds	45	40	40
99.9	Total obligations	594,839	654,134	628,380

Personnel Summary

Total number of full-time permanent positions	2,689	2,819	2,732
Total compensable workyears:			
Full-time equivalent employment	3,196	3,303	3,144
Full-time equivalent of overtime and holiday hours	89	84	74

RURAL CLEAN WATER PROGRAM

Program and Financing (In thousands of dollars)

Identification code	12-3337-0-1-304	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0)		416	
Financing:				
17.00	Recovery of prior year obligations	-3,786		
21.40	Unobligated balance available, start of year	-2,630	-416	
24.40	Unobligated balance available, end of year	416		
40.00	Appropriation, rescinded (unobligated balances) (P.L. 100-71)	-6,000		
Relation of obligations to outlays:				
71.00	Obligations incurred, net		416	
72.40	Obligated balance, start of year	35,235	24,968	19,106
74.40	Obligated balance, end of year	-24,968	-19,106	-13,372
78.00	Adjustments in unexpired accounts	-3,786		
90.00	Outlays	6,481	6,278	5,734

This experimental Rural Clean Water Program (RCWP), authorized by the Appropriation Acts of 1980 (Public Law 96-108) and 1981 (Public Law 96-528), is a cooperative endeavor among farmers, various USDA agencies and other organizations to develop and test means of controlling agricultural nonpoint source water pollution in rural areas.

Recommended project areas were developed by local and State committees and approved by the Secretary of Agriculture in consultation with the Administrator of the Environmental Protection Agency. Full funding has been provided for all approved projects.

In fiscal year 1987, \$6 million in RCWP funds was rescinded.

The fiscal year 1989 Budget proposes no funding for this program.

General and special funds—Continued

[AGRICULTURAL CONSERVATION PROGRAM]

[(INCLUDING TRANSFERS OF FUNDS)]

[For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), 16(f), and 17 of the Soil Conservation and Domestic Allotment Act approved February 29, 1936, as amended and supplemented (16 U.S.C. 590g-590o, 590p(a), 590p(f), and 590q), and sections 1001-1004, 1006-1008, and 1010 of the Agricultural Act of 1970, as added by the Agriculture and Consumer Protection Act of 1973 (16 U.S.C. 1501-1504, 1506-1508, and 1510), and including not to exceed \$15,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, \$176,935,000, to remain available until expended (16 U.S.C. 590o) for agreements, excluding administration but including technical assistance and related expenses, except that no participant in the Agricultural Conservation Program shall receive more than \$3,500 per year, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community, or where a participant has a long-term agreement, in which case the total payment shall not exceed the annual payment limitation multiplied by the number of years of the agreement: *Provided*, That no portion of the funds for the current year's program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetlands Types 3 (III) through 20 (XX) in United States Department of the Interior, Fish and Wildlife Circular 39, Wetlands of the United States, 1956: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other conservation materials, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out approved farming practices as authorized by the Soil Conservation and Domestic Allotment Act, as amended, as determined and recommended by the county committees, approved by the State committees and the Secretary, under programs provided for herein: *Provided further*, That such assistance will not be used for carrying out measures and practices that are primarily production-oriented or that have little or no conservation or pollution abatement benefits: *Provided further*, That not to exceed 5 per centum of the allocation for the current year's program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the Agricultural Conservation Program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the current year's program \$2,500,000 shall be available for technical assistance in formulating and carrying out rural environmental practices: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities" approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18 U.S.C. 1913 to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988*).

Program and Financing (in thousands of dollars)

Identification code	12-3315-0-1-302	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0)	181,894	249,331	
Financing:				
21.40	Unobligated balance available, start of year	-77,355	-72,396	

24.40	Unobligated balance available, end of year	72,396		
40.00	Budget authority (appropriation)	176,935	176,935	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	181,894	249,331	
72.40	Obligated balance, start of year	167,912	192,294	182,486
74.40	Obligated balance, end of year	-192,294	-182,486	-60,486
90.00	Outlays	157,511	259,139	122,000

The primary objectives of the program are to conserve soil and water resources. Along with annual agreements, cost sharing is authorized for long-term agreements of 3-10 years.

The program is administered by ASC county committees, with review and approval by State ASC committees and the Secretary. Technical assistance is provided by SCS and FS.

The 1988 program level of \$176,935 thousand will be allocated to States based on the highest priority soil and water resource problems, and is expected to serve 8.1 million acres. Practices are expected to prevent approximately 39.5 million tons of soil erosion and save 568,000 acre-feet of water.

The fiscal year 1989 Budget proposes no funding for this program.

[COLORADO RIVER BASIN SALINITY CONTROL PROGRAM]

[For necessary expenses for carrying out the purposes of section 202 of title II of the Colorado River Basin Salinity Control Act, as amended (43 U.S.C. 1592), to be used to reduce salinity in the Colorado River and to enhance the supply and quality of water available for use in the United States and the Republic of Mexico, \$4,904,000, for investigations and surveys, for technical assistance in developing conservation practices and in the preparation of salinity control plans, for the establishment of on-farm irrigation management systems, including related lateral improvement measures, for making cost-share payments to agricultural landowners and operators, Indian tribes, irrigation districts and associations, local governmental and nongovernmental entities, and other landowners to aid them in carrying out approved conservation practices as determined and recommended by the county committees, approved by the State committees and the Secretary, and for associated costs of program planning, information and education, and program monitoring and evaluation: *Provided*, That the Soil Conservation Service shall provide technical assistance and the Agricultural Stabilization and Conservation Service shall provide administrative services for the program, including but not limited to, the negotiation and administration of agreements and the disbursement of payments: *Provided further*, That such program shall be coordinated with the regular Agricultural Conservation Program and with research programs of other agencies.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988*.)

Program and Financing (in thousands of dollars)

Identification code	12-3318-0-1-304	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0)	2,174	6,534	
Financing:				
21.40	Unobligated balance available, start of year		-1,630	
24.40	Unobligated balance available, end of year	1,630		
40.00	Budget authority (appropriation)	3,804	4,904	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	2,174	6,534	
72.40	Obligated balance, start of year		890	2,452
74.40	Obligated balance, end of year	-890	-2,452	
90.00	Outlays	1,284	4,972	2,452

This program carries out the purposes of section 202(c) of Title II of the Colorado River Basin Salinity Control Act (43 U.S.C. 1592(c)), as amended, by providing cost-share assistance to landowners and others in the Colorado River Basin. The main objective is to enhance the supply and quality of water in the Colorado River for delivery to downstream users in the U.S. and Mexico.

Practices are recommended by the ASC county committees and approved by the State committees and the Secretary of Agriculture. Technical assistance is provided by the Soil Conservation Service. Education and information activities are provided by the Extension Service.

The 1988 program will focus on five projects in Colorado, Utah, and Wyoming. Under this program, 30 percent of ASCS cost-share funds will be reimbursed to the U.S. Treasury by the Colorado River Basin States.

The fiscal year 1989 Budget proposes no funding for this program.

CONSERVATION RESERVE PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses *due and payable in fiscal year 1989* to carry out the Conservation Reserve Program pursuant to the Food Security Act of 1985 (16 U.S.C. [3881] 3831-3845), [\$1,131,000,000] \$1,864,000,000, to remain available until expended, to be used for Commodity Credit Corporation expenditures for cost-share assistance for the establishment of conservation practices *provided for in approved conservation reserve program contracts*, for annual rental payments *provided for in such contracts*, and for technical assistance: *Provided, That* [4 per centum of the funds available for the conservation reserve program in this Act shall be transferred to the conservation operations account of the Soil Conservation Service for services of its technicians in carrying out the conservation programs of the Food Security Act of 1985: *Provided further, That*] none of the funds in this Act may be used to enter into new contracts that are in excess of the prevailing local rental rates for an acre of comparable land: *Provided further, That* funds appropriated by this Act for the Conservation Reserve Program shall be used to the extent necessary to reimburse fully the Commodity Credit Corporation for conservation reserve costs financed by the Corporation during the period of the Continuing Resolutions, Public Laws 100-120 and 100-162. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-3319-0-1-302	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Cost-sharing assistance		1,066,000	660,000
00.02	Annual rental payments			1,196,000
00.03	Technical assistance		19,760	8,000
10.00	Total obligations		1,085,760	1,864,000
Financing:				
39.00	Budget authority		1,085,760	1,864,000
Budget authority:				
40.00	Appropriation		1,131,000	1,864,000
41.00	Transferred to other accounts		-45,240	
43.00	Appropriation (adjusted)		1,085,760	1,864,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net		1,085,760	1,864,000
72.40	Obligated balance, start of year			349,444
74.40	Obligated balance, end of year		-349,444	-372,800
90.00	Outlays		736,316	1,840,644

NOTES

Includes funds for reimbursement of CRP expenses incurred by the Commodity Credit Corporation during the period of the fiscal year 1988 four short-term continuing resolutions; Public Law 100-120, Public Law 100-162, Public Law 100-193, and Public Law 100-197.

Includes funds for activities previously financed from:

	(In thousands of dollars)	1987	1988	1989
Commodity Credit Corporation Fund		\$267,024		

RECONCILIATION OF PROGRAM LEVEL TO APPROPRIATION

	(In thousands of dollars)	1987 actual	1988 est.	1989 est.
Annual rental payments:				
Cash				1,196,000
CCC commodity certificates			778,000	297,000
Total rental payments			778,000	1,493,000
Cost-sharing assistance			1,066,000	660,000
Technical assistance			19,760	8,000
Total program level, current year			1,863,760	2,161,000
Deduct:				
Financing by CCC commodity certificates			-778,000	-297,000
Appropriation			1,085,760	1,864,000

Object Classification (in thousands of dollars)

Identification code	12-3319-0-1-302	1987 actual	1988 est.	1989 est.
Direct obligations:				
41.0	Grants, subsidies, and contributions		1,066,000	1,856,000
99.0	Reimbursable obligations		19,760	8,000
99.9	Total obligations		1,085,760	1,864,000

The Conservation Reserve Program (CRP) was mandated by sections 1231-1244 of the Food Security Act of 1985 (Public Law 99-198) to establish permanent cover on highly erodible cropland. The primary objectives of the CRP are to help farmers control critical soil erosion that occurs on about a third of America's cropland and to decrease production of some surplus agricultural commodities.

The CRP is authorized in all 50 States, Puerto Rico, and the Virgin Islands on all croplands meeting the eligibility criteria of eroding at three times the soil loss tolerance or higher, or twice the soil loss tolerance with serious gully erosion. Up to 45 million acres of highly erodible land may be entered into the reserve.

The program is administered through the Commodity Credit Corporation (CCC) by State and local ASC committees working under the general direction of ASCS. Technical assistance is provided by the Soil Conservation Service, the Forest Service, the Cooperative Extension Service, and others.

In exchange for entering land into the reserve, program participants receive annual rental payments in cash or commodities, based on their accepted bids per acre and the number of acres placed under 10-year contracts. In addition, farmers receive one-time payments of 50 percent of the eligible costs of establishing vegetative cover on the reserve acreage.

To facilitate program implementation, use of the funds and facilities of the Commodity Credit Corporation was authorized for fiscal years 1986 and 1987. Beginning in fiscal year 1988, the services and facilities of CCC will continue to be used, but appropriations were provided to CCC in advance to carry out the program. The 1988 appropriation also required that CCC be reimbursed for CRP expenditures made for the period of the fiscal year 1988 short-term continuing resolutions, ex-

General and special funds—Continued

CONSERVATION RESERVE PROGRAM—Continued
(INCLUDING TRANSFERS OF FUNDS)—Continued

tending from October 1, 1987 through December 21, 1987. Under the Food Security Act, authority is provided to enter into CRP contracts through fiscal year 1990. Appropriations needed to make annual payments will be requested through fiscal year 2000.

During fiscal year 1988, two sign-up periods will be held to enroll acres. The first sign-up period will be held in February 1988 for crop year 1988 acres. A second sign-up, which will be for both crop year 1988 and 1989 acres, will be held later in 1988. These signups are expected to enroll 6 million acres for crop year 1988, bringing total participation through crop year 1988 up to 29 million acres.

The 1989 program is expected to enroll 12 million acres of highly erodible cropland. These 1989 crop acres would be enrolled during fiscal year 1989 or in advance during fiscal year 1988. Total participation through fiscal year 1989 is projected to be at least the 40 million acres established by the Act. The appropriation requested for fiscal year 1989 would be used for annual rental payments due on prior year contracts, for cost-sharing assistance on crop year 1989 contracts, and for fiscal year 1989 technical assistance payments.

[WATER BANK PROGRAM]

[For necessary expenses to carry into effect the provisions of the Water Bank Act (16 U.S.C. 1301-1311), \$8,371,000, to remain available until expended.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-3320-0-1-302	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0)	10,783	10,639	.....
Financing:				
21.40	Unobligated balance available, start of year	-4,680	-2,268	.....
24.40	Unobligated balance available, end of year	2,268	.....	.....
40.00	Budget authority (appropriation)	8,371	8,371	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net	10,783	10,639	.....
72.40	Obligated balance, start of year	35,403	36,667	41,966
74.40	Obligated balance, end of year	-36,667	-41,966	-38,041
90.00	Outlays	9,519	5,340	3,925

The objectives of the Water Bank Program are to conserve water; preserve, maintain, and improve the Nation's wetlands; increase waterfowl habitat in migratory waterfowl nesting, breeding, and feeding areas in the United States; and secure recreational and environmental benefits for the Nation. The program was authorized by the Water Bank Act, approved December 19, 1970, as amended by Public Law 96-182, approved January 2, 1980.

The Secretary of Agriculture, through designated ASCS county offices, uses program funds to enter into 10-year agreements with landowners and operators for the conservation of specified wetlands. Provisions exist to renew agreements for additional periods, to make annual payments on agreements, and under certain

conditions to increase payment rates in the fifth year of a contract or at the time of renewal.

The 1989 Budget proposes no funding for this program.

[EMERGENCY CONSERVATION PROGRAM]

[For necessary expenses to carry into effect the program authorized in sections 401, 402, and 404 of title IV of the Agricultural Credit Act of 1978 (16 U.S.C. 2201-2205), \$1,000,000, to remain available until expended, as authorized by 16 U.S.C. 2204.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-3316-0-1-453	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0)	5,400	13,949	.....
Financing:				
21.40	Unobligated balance available, start of year	-8,349	-12,948	.....
24.40	Unobligated balance available, end of year	12,948	.....	.....
40.00	Budget authority (appropriation)	10,000	1,000	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net	5,400	13,949	.....
72.40	Obligated balance, start of year	1,858	2,602	8,256
74.40	Obligated balance, end of year	-2,602	-8,256	-5,378
90.00	Outlays	4,657	8,295	2,878

This program was authorized by the Agricultural Credit Act of 1978 (16 U.S.C. 2201-05). It provides funds for sharing the cost of emergency measures to deal with cases of severe damage to farms and rangelands resulting from natural disasters.

Under the 1987 program, cost-sharing assistance was provided in 26 States to treat farmlands damaged by floods, tornadoes, and drought. The 1988 program is expected to rehabilitate approximately 60,700 acres of farmland damaged by natural disaster.

The 1989 Budget proposes no funding for this program.

[DAIRY INDEMNITY PROGRAM]

[(INCLUDING TRANSFERS OF FUNDS)]

[For necessary expenses involved in making indemnity payments to dairy farmers for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and in making indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of (1) the presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer, or (2) residues of chemicals or toxic substances not included under the first sentence of the Act of August 13, 1968, as amended (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the contamination is not due to the fault of the farmer, \$95,000: *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government: *Provided*, That this amount shall be transferred to the Commodity Credit Corporation: *Provided further*, That the Secretary is authorized to utilize the services, facilities, and authorities of the Commodity Credit Corporation for the purpose of making dairy indemnity disbursement.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-3314-0-1-351	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0)	6,689	605	
Financing:				
21.40	Unobligated balance available, start of year	-6,551	-510	
24.40	Unobligated balance available, end of year	510		
40.00	Budget authority (appropriation)	648	95	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	6,689	605	
72.40	Obligated balance, start of year	2,546	1,001	1,511
74.40	Obligated balance, end of year	-1,001	-1,511	-1,511
90.00	Outlays	8,234	95	

Under this program indemnification payments are made to dairy farmers and manufacturers of dairy products.

The Dairy Indemnity Program was authorized under 78 Stat. 508 in 1964, and has been extended through September 30, 1990, by the Food Security Act of 1985 (Public Law 99-198). Payments are made to farmers and manufacturers who are directed to remove their milk or milk products from commercial markets because they contain residues of chemicals which have been registered and approved for use by the Federal Government, of other chemicals, of nuclear radiation, or of nuclear fallout. The authority also provides that indemnification may be paid for cows producing such milk.

In fiscal year 1988, an estimated \$1,606 thousand will complete payments to producers and manufacturers who have incurred losses due to contamination of milk, milk products, or cows by the pesticide heptachlor.

Due to the emergency nature of this program, funding is requested as needs arise. Therefore, the fiscal year 1989 budget proposes no funding for this program.

【FORESTRY INCENTIVES PROGRAM】

【For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized in the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, \$11,891,000, to remain available until expended, as authorized by that Act.】 (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-3336-0-1-302	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0)	11,925	13,571	
Financing:				
21.40	Unobligated balance available, start of year	-1,714	-1,680	
24.40	Unobligated balance available, end of year	1,680		
40.00	Budget authority (appropriation)	11,891	11,891	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	11,925	13,571	
72.40	Obligated balance, start of year	16,330	19,172	18,707
74.40	Obligated balance, end of year	-19,172	-18,707	-10,366
90.00	Outlays	9,083	14,036	8,341

This program was authorized by the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101). The objectives of the program are to bring private, nonindustrial forest land under intensified management, to increase

timber production, to ensure adequate supplies of timber products, and to enhance other forest resources.

The Forestry Incentives Program shares up to 65 percent of the cost of tree planting and timberstand improvement. The percentage cost-shared depends on the rate set in a particular State and county by the Agricultural Stabilization and Conservation Committee, after consulting with the State forester. The program is available in designated counties based on a Forest Service survey of total eligible private timberland available for production of timber products. The program is administered by ASCS. Technical assistance is provided by Forest Service.

Under the 1988 program, cost-sharing will be provided to farmers for planting trees on 163,500 acres and improving the timberstand on 38,000 acres of forest.

The 1989 Budget proposes no funding for this program.

CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency except as hereinafter provided:

FEDERAL CROP INSURANCE CORPORATION

Federal Funds

General and special funds:

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, as authorized by the Federal Crop Insurance Act, as amended (7 U.S.C. 1516, [200,000,000] \$217,970,000: *Provided*, That not to exceed \$700 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i). (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2707-0-1-351	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Underwriting, actuarial, and program development	13,357	10,638	11,146
00.02	Reinsured companies	98,717	125,186	139,585
00.03	Agency sales and service agreements and loss adjustment contracts	42,495	46,792	48,952
00.04	Program administration	2,050	3,130	3,348
00.05	Program management and administrative support	13,275	14,254	14,939
10.00	Total obligations	169,894	200,000	217,970
Financing:				
25.00	Unobligated balance lapsing	39,674		
40.00	Budget authority (appropriation)	209,568	200,000	217,970
Relation of obligations to outlays:				
71.00	Obligations incurred, net	169,894	200,000	217,970
72.10	Receivables in excess of obligations, start of year	437	2,674	2,674
72.40	Obligated balance, start of year	93,169	76,661	74,986
74.10	Receivables in excess of obligations, end of year	-2,674	-2,674	-2,674
74.40	Obligated balance, end of year	-76,661	-74,986	-82,431
77.00	Adjustments in expired accounts	-7,878		
90.00	Outlays	176,288	201,675	210,525

General and special funds—Continued

ADMINISTRATIVE AND OPERATING EXPENSES—Continued

This appropriation finances the administrative and operating expenses of the Corporation to provide funds to establish and maintain rates and coverages for 19,600 county programs in over 3,000 counties and to continue development of sales policies. Crop insurance in force is estimated to increase from \$7.2 billion in crop year 1988 to \$7.6 billion in crop year 1989, and the estimated insured acres are expected to increase from 57.8 million in crop year 1988 to 61.2 million in crop year 1989.

The Corporation's long-term objective is to oversee the private delivery of crop insurance on an actuarially sound basis, develop actuarial rates for use by private insurance companies, and perform compliance activities.

For fiscal year 1989, the appropriation for administrative and operating expenses will enable the Corporation to provide for growth in the expanded crop insurance program to an estimated 23.1 percent of farmers' participation, bringing the program closer to attaining its long-term objective.

The major portion of administrative and operating expenses is to support delivery systems which rely heavily on the private sector as provided by the Federal Crop Insurance Act of 1980 under section 507(c). The delivery systems are:

(a) Reinsured companies which enable insurance companies to provide the insurance marketing, distribution, servicing, training, quality control, and loss adjustment functions. The companies also share with Federal Crop Insurance Corporation, to a limited extent, in both profits and losses. It is estimated that reinsured companies will handle about 80 percent of the total premium during crop year 1989. For crop year 1988, 43 companies or groups will be writing crop insurance with reinsurance from FCIC; and

(b) Agency sales and service agreement, also known as the "master marketing agreement." Under this type of agreement, private insurance companies and associations are offered the opportunity to contract with FCIC to provide insurance sales and services. They are compensated on a commission basis. It is estimated that these agreements will account for 20 percent of the total premium for crop year 1989.

In addition, in areas where an adequate private sales and service force is not available, FCIC may ask other USDA agencies to sell and service all-risk crop insurance through existing county offices.

As the private sector becomes more involved in the all-risk crop insurance program, it is expected that the companies will be able to "risk" more of their funds thus reducing the cost to the Government and at the same time reach the Corporation's goal of having all-risk crop insurance available to as many farm producers as possible.

Object Classification (in thousands of dollars)

Identification code	12-2707-0-1-351	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	20,760	21,175	21,599
11.3	Other than full-time permanent.....	5,219	2,996	1,685
11.5	Other personnel compensation.....	414	428	444
11.9	Total personnel compensation.....	26,393	24,599	23,728

12.1	Civilian personnel benefits.....	3,970	5,706	5,551
13.0	Benefits for former personnel.....	151	1,370	824
21.0	Travel and transportation of persons.....	3,252	4,978	5,842
22.0	Transportation of things.....	428	453	494
23.2	Rental payments to others.....	271	280	291
23.3	Communications, utilities, and miscellaneous charges.....	2,649	2,416	3,304
24.0	Printing and reproduction.....	729	769	899
25.0	Other services.....	128,932	156,670	174,522
26.0	Supplies and materials.....	740	769	1,078
31.0	Equipment.....	2,300	1,905	1,348
42.0	Insurance claims and indemnities.....	36	40	42
43.0	Interest and dividends.....	43	45	47
99.9	Total obligations.....	169,894	200,000	217,970

Personnel Summary

Total number of full-time permanent positions.....	760	760	760
Total compensable workyears:			
Full-time equivalent employment.....	974	905	865
Full-time equivalent of overtime and holiday hours.....	2	10	10

Public enterprise funds:

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 508(b) of the Federal Crop Insurance Act, as amended, [\$228,523,000] \$112,000,000. (*Rural Development, Agriculture, and Related Agencies Appropriations Act 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-4085-0-3-351	1987 actual	1988 est.	1989 est.
Program by activities:				
Operating expenses:				
00.01	Indemnities.....	87,699	116,400	130,850
00.02	Interest.....			10,650
00.03	Other expenses.....	25,694	1,275	1,350
01.01	Reinsurance losses, net.....	461,282	489,975	523,400
10.00	Total obligations.....	574,675	607,650	666,250
Financing:				
14.00	Offsetting collections from: Non-Federal sources.....	-331,797	-318,000	-336,000
21.98	Unobligated balance available, start of year: Fund balance.....	-178,932	-371,797	-310,670
22.98	Unobligated balance transferred, net: Fund balance.....	-300,000		-100,000
24.98	Unobligated balance available, end of year: Fund balance.....	371,797	310,670	192,420
40.00	Budget authority (appropriation).....	135,743	228,523	112,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	242,878	289,650	330,250
72.10	Receivables in excess of obligations, start of year.....	117,235	82,535	82,535
74.10	Receivables in excess of obligations, end of year.....	-82,535	-82,535	-82,535
90.00	Outlays.....	277,578	289,650	330,250

The Federal Crop Insurance Corporation, a wholly owned Government corporation, was created on February 16, 1938 (7 U.S.C. 1501-1520), to carry out the provisions of the Federal Crop Insurance Act, as amended. The purpose of this act is to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance, and to provide the means for the research and experience helpful in devising and establishing such insurance.

Crop insurance offered to agricultural producers by the Corporation provides protection from losses caused by natural hazards, such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. It does not indemnify producers for losses resulting from negligence or failure to observe good farming practices.

The crop insurance programs are planned, developed, and monitored by the FCIC headquarters office located in Washington, DC and its national operations office located in Kansas City, MO. The program is administered in the field through 18 field operations offices and 11 field underwriting offices. Sales and servicing of contracts at the county level are performed primarily by agents operating under agency sales and service agreements (master marketing agreements) and agents of reinsured companies. In those areas where these delivery systems are not in place, other USDA agencies may be used to market and service the program. The adjustment of losses is performed by independent claims adjusters and reinsured companies under contract with FCIC. Also, as required, ASCS will perform some loss adjustment support on a reimbursable basis for the Corporation. Detailed administrative accounting is performed by the National Finance Center in New Orleans, LA, and program accounting and statistical functions, as well as the underwriting and actuarial analysis work, are performed in Kansas City, MO.

Budget program.—The program for crop year 1988 will provide crop insurance protection to farmers amounting to approximately \$7.2 billion on the following commodities: Almonds, apples, barley, beans (dry and C&P), citrus, citrus trees, corn, cotton, ELS cotton, cranberries, figs, flax, forage production, forage seeding, grain sorghum, grapes, table grapes, hybrid seeding, macadamia nuts, macadamia trees, nursery stock, oats, onions, peaches, peanuts, peas (dry and green), peppers, popcorn, potatoes, prevented planting, prunes, raisins, rice, rye, safflowers, soybeans, stonefruit (CA only—apricots, nectarines and peaches), sugar beets, sugarcane, sunflowers, C&P sweet corn, sweet corn (fresh), tobacco, tomatoes (fresh), C&P tomatoes, walnuts, and wheat.

The 1987 appropriation provided sufficient funding for crop year 1987 to insure 50 million acres with an estimated \$375 million in total premium income, including \$135.7 million in premium subsidy.

The following table compares the scope of the insurance operations planned for 1988 and 1989, as compared with 1987. Amounts in the 1987 column are as of September 30, 1987 and pertain to the 1987 crop year.

Beginning in fiscal year 1986 the FCIC followed requirements of the GAO that the Corporation conform to Financial Accounting Standards Board Transmittal No. 60 (FASB 60). Under FASB 60, the Corporation would match revenues and expenses in the period in which they are earned. For example, fiscal year 1987 would consist of mostly crop year 1987 income and expense but would include some crop year 1986 and adjustment in prior crop years. Therefore, for purposes of this presentation fiscal year 1987 will pertain to crop year 1987.

	1987 fiscal year (1987 crop year) actual	1988 fiscal year (1988 crop year) estimate	1989 fiscal year (1989 crop year) estimate
Number of States.....	49	50	50
Number of counties.....	3,014	3,018	3,018
Insurance in force (thousands)	\$6,250,000	\$7,225,000	\$7,650,000
Insured acreage (thousands)	50,000	57,800	61,200
Farmers premium (thousands) ¹	\$287,312	318,750	\$337,500
Premium subsidy (thousands) ¹	\$87,688	\$106,250	\$112,500
Total premium (thousands) ¹	375,000	\$425,000	\$450,000

Indemnities (thousands) ¹	\$487,500	\$646,000	\$657,000
Loss ratio.....	1.30	1.52	1.46

¹ Includes amounts that will appear on the books of the reinsured companies. The Corporation records will only reflect the net reinsurance income and net reinsurance loss.

Financing.—The Corporation is authorized under the Federal Crop Insurance Act, as amended, to use funds from the issuance of capital stock which provides working capital for the Corporation.

Receipts which are for deposit to this fund come mainly from premiums paid by farmers. The principal payments from this fund are for indemnities to insured farmers, the direct cost of adjusting crop losses and agents' commissions. However, an appropriation will be requested in subsequent years for payments made from premium income used for loss adjustment costs and/or agents' commissions as provided by section 516(a) of the Federal Crop Insurance Act, as amended.

Premium subsidies are authorized by section 508(b) of the Federal Crop Insurance Act, as amended. The purpose of the subsidy is to encourage the broadest possible participation of farm producers in the crop insurance program. Subsidies are paid by the Corporation based upon 30 percent of each producer's premium (reduced, where applicable, for hail and fire exclusion or State agency subsidy) on any coverage, under the Corporation's policy of insurance of up to a maximum of 65 percent of the recorded or appraised average yield, as adjusted.

In fiscal year 1987, the Corporation received a transfer of \$300 million from the Commodity Credit Corporation as a hedge against heavy crop years 1986 and 1987 losses.

PREMIUM AND SUBSIDY

(In thousands of dollars)

	1987 fiscal year (1987 crop year) actual	1988 fiscal year (1988 crop year) estimate	1989 fiscal year (1989 crop year) estimate
Premiums:			
Producer premium	287,312	318,750	337,500
(Government operations)	46,251	63,750	67,500
(Reinsurance operations) ¹	241,061	255,000	270,000
Amount of subsidies	87,688	106,250	112,500
(Government operations)	13,749	21,250	22,500
(Reinsurance operations) ¹	73,939	85,000	90,000
Total premiums	375,000	425,000	450,000
Indemnities	487,500	646,000	657,000
(Government operations)	78,000	129,200	131,400
(Reinsurance operations) ¹	409,500	516,800	525,600

¹ These amounts will appear on the books of the reinsured companies. The Corporation records will only reflect the net reinsurance income and net reinsurance losses.

The annual appropriation for the administrative and operating expenses of the Corporation is presented earlier in the budget.

Operating results and financial condition.—As of September 30, 1987, the Corporation reflected a deficit of \$1,719.8 million. This compares with a deficit of \$1,476.9 million at September 30, 1986.

For crop years 1948 through 1986, indemnities (\$3,412.4 million) exceeded premium income (\$2,661.3 million) by \$751.1 million; the loss ratio for the period was 1.28. Indemnity costs exceeded premiums in 21 of the 39 years.

The following table summarizes the insurance operations for 1987, 1988, and 1989:

Public enterprise funds—Continued

FEDERAL CROP INSURANCE CORPORATION FUND—Continued

NET INCOME OR LOSS (—) ON INSURANCE OPERATIONS

[In thousands of dollars]

	1987 fiscal year actual	1988 fiscal year estimate	1989 fiscal year estimate
Premiums over indemnities	—29,656	—52,650	—63,350
(Premium subsidy expenses—non-add)	(13,749)	(21,250)	(22,500)
Interest expense	9,637	.....	—10,650
Other income or expense, net (—)	—21,587	—1,275	—1,350
Reinsurance underwriting gain (+) or loss (—)	—127,335	—151,865	—165,400
Premium subsidy expense—reinsurance	—73,939	—83,860	—89,500
Net income or loss (—)	—242,880	—289,650	—330,250

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Revenue	331,797	318,000	336,000
Expense	—574,675	—607,650	—666,250
Net income or loss (—) for the year	—242,878	—289,650	—330,250

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Selected assets:				
Treasury balance	296,167	454,332	393,205	274,955
Accounts receivable, net	155,102	270,529	326,931	380,481
Deferred charges	192,681	14,127	30,319	32,713
Total assets	643,950	738,988	750,455	688,149
Liabilities:				
Selected liabilities:				
Accounts payable and accrued liabilities	369,191	317,484	380,478	426,972
Deferred credits	95,752	48,094	57,694	67,144
Provisions for surety losses and other	75	1,613	1,613	1,613
Total liabilities	465,018	367,191	439,785	495,729
Government equity:				
Selected equities:				
Non-interest-bearing capital	500,000	500,000	500,000	500,000
Paid-in capital	37,978	37,978	37,978	37,978
Appropriation (Treasury borrowing)	113,000	113,000	113,000	113,000
Appropriation (premium subsidy)	502,338	638,081	866,604	978,608
Appropriation (agents' commissions)	47,909	47,909	47,909	47,909
Appropriation (loss adjustment)	4,632	4,632	4,632	4,632
Transfer from Commodity Credit Corp	450,000	750,000	750,000	850,000
Retained earnings	—1,476,925	—1,719,803	—2,009,453	—2,339,707
Total Government equity ¹	178,932	371,797	310,670	192,420

¹ Reflects long-term notes payable to Treasury for borrowing. Includes \$113 million Treasury borrowing in fiscal year 1985. Also includes \$100 million CCC borrowing in fiscal year 1989, which has been added to the unobligated balance.

Object Classification (in thousands of dollars)

Identification code	12-4085-0-3-351	1987 actual	1988 est.	1989 est.
Insurance claims and indemnities:				
42.0 Government operations		87,699	116,400	130,850
42.0 Reinsurance		461,282	489,975	523,400
43.0 Interest and dividends	10,650
92.0 Undistributed		25,694	1,275	1,350
99.9 Total obligations		574,675	607,650	666,250

COMMODITY CREDIT CORPORATION

Federal Funds

General and special funds:

[OPERATING EXPENSES] REIMBURSEMENT FOR NET REALIZED LOSSES

[Notwithstanding any other provision of law, for operating expenses as authorized by the Charter of the Commodity Credit Corporation (15 U.S.C. 714) to be available for financing the Corporation's programs and activities only as follows:

Deficiency payments, \$6,116,000,000;
Export guarantee loan claims, \$711,386,000;
Commodity purchases, \$1,150,875,000;
Crop insurance, \$200,000,000;
Storage and handling payments, \$1,343,166,000;
Transportation of commodities, \$185,464,000;
Processing and packaging of commodities, \$105,065,000;
Producer storage payments, \$609,801,000;
Loan collateral settlements, \$142,236,000;
Whole herd buy out payments (dairy termination program), \$218,000,000;
Interest payments to the United States Treasury, \$1,468,860,000;
Working capital, \$1,500,000,000;
Prior year losses, \$1,422,400,000;
Other expenses, \$5,292,046,000;
Operating expenses, \$541,691,000;
Special activities (wool program), \$126,108,000;
Support of advisory committees or commissions, including travel or per diem expenses, \$560,000;

Provided, That such provisions shall not interfere with the Commodity Credit Corporation's discharge of its corporate responsibilities: *Provided further*, That not to exceed 7 per centum of the funds made available for any program or activity may be transferred to another program or activity as provided by existing law: *Provided further*, That notwithstanding any other provision of law, the Commodity Credit Corporation shall pay an interest penalty, determined on the basis of the provisions of the Prompt Payment Act (31 U.S.C. 3901 et seq.), on the amount of all payments and price support loans which the Commodity Credit Corporation is obligated to make if payment is not made by the required payment date. This provision shall be applicable to all such payments for obligations incurred after January 1, 1988.] For fiscal year 1989, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained or anticipated, but not previously reimbursed, pursuant to Section 2 of the Act of August 17, 1961, as amended (15 U.S.C. 713a-11), and in accordance with Section 1506(b) of Public Law 100-203.

[INCREASE IN BORROWING AUTHORITY]

[Section 4(i) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714(i)) is amended by striking out "\$25,000,000,000" and inserting in lieu thereof "\$30,000,000,000".

Section 4 of the Act of March 8, 1938 (15 U.S.C. 713a-4) is amended by striking out "\$25,000,000,000" and inserting in lieu thereof "\$30,000,000,000".]

SHORT-TERM EXPORT CREDIT

The Commodity Credit Corporation shall make available not [less] more than \$5,000,000,000 in credit guarantees under its export credit guarantee program for short-term credit extended to finance the export sales of United States agricultural commodities and the products thereof, as authorized by section 1125(b) of the Food Security Act of 1985 (Public Law 99-198).

INTERMEDIATE EXPORT CREDIT

The Commodity Credit Corporation shall make available not [less] more than \$500,000,000 in credit guarantees under its export guarantee program for intermediate-term credit extended to finance the export sales of United States agricultural commodities and the products thereof, as authorized by section 1131(3)(B) of the Food Security Act of 1985 (Public Law 99-198). (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

REIMBURSEMENT TO COMMODITY CREDIT CORPORATION, NATIONAL
WOOL ACT

Public enterprise funds:

COMMODITY CREDIT CORPORATION FUND

Program and Financing (in thousands of dollars)

Identification code	12-4336-0-3-351	1987 actual	1988 est.	1989 est.
Program by activities:				
Support and related programs:				
Operating expenses:				
00.01	Commodity purchases and related inventory acquisitions.....	11,549,939	11,518,595	6,952,833
00.02	Storage, transportation, and other obligations not included above.....	2,301,354	1,835,112	1,131,528
00.03	Producer storage payments.....	628,118	1,048,313	521,541
Direct producer payments:				
00.05	Feed grains.....	2,096,615	2,911,648	4,008,000
00.06	Wheat.....	541,212	361,000	1,245,000
00.07	Rice.....	272,587	78,471	301,000
00.08	Cotton.....	607,409	157,412	207,500
00.09	Dairy.....	638,706	218,087	189,000
Conservation reserve program:				
00.11	Cost-share payments.....	245,589		
00.12	Annual rent payments.....	132		
00.13	Technical Assistance.....	20,439		
00.14	Operating expense.....	540,637	577,742	592,869
Interest:				
00.15	Treasury.....	1,221,676	1,596,807	1,167,153
00.16	Other.....	1,016		
00.91	Total operating expenses.....	20,665,429	20,146,245	16,316,424
Capital investment:				
Direct loans:				
01.01	Storage facility.....	236		
01.02	Commodity.....	16,566,050	14,315,972	10,745,851
01.03	Guarantee claims.....	478,108	707,726	705,536
01.04	Purchase of administrative equipment.....	36,970	52,750	14,500
01.91	Total capital investment.....	17,081,364	15,076,448	11,465,887
01.92	Total support and related programs.....	37,746,793	35,222,693	27,782,311
Special activities:				
Operating expenses:				
02.01	Commodities transferred from support program and commodities procured.....	282,565	358,203	376,306
02.02	Interest.....	4,371	3,462	3,026
02.03	Conservation reserve program payments.....		1,085,760	1,864,000
02.04	Other program and operating expenses.....	1,214,694	1,238,894	1,160,943
02.91	Total special activities.....	1,501,630	2,686,319	3,404,275
10.00	Total obligations.....	39,248,423	37,909,012	31,186,586
Financing:				
Offsetting collections from: Support and related programs:				
Federal funds:				
11.00	Sales to special activities.....	—282,565	—358,203	—376,306
11.00	Interest revenue.....	—4,371	—3,462	—3,026
11.00	Other revenue.....	—3,063	—2,574	—2,510
Non-Federal sources (62 Stat. 1070):				
14.00	Sales and other proceeds.....	—2,979,504	—1,778,370	—335,448
14.00	Interest revenue.....	—385,284	—208,857	—138,394
14.00	Other revenue.....	—2,355	—400	—400
14.00	Realization of assets.....	—52	—250	—250
14.00	Loans repaid.....	—13,906,237	—16,297,604	—11,089,569
Repayments by importers:				
14.00	Short-term export credit sales program.....	—91,574	—115,960	—32,352
14.00	Intermediate export credit sales program.....	—11,360		
14.00	Export guarantee program.....	—84,050	—107,347	—132,857
14.00	Interest revenue.....	—270,800	—275,378	—297,924
Special activities:				
Federal funds:				
11.00	Reimbursements received.....	—72,746		
11.00	Advance from foreign assistance programs.....	—1,083,071	—1,059,596	—1,023,200
11.00	Advance from conservation reserve program.....		—1,085,760	—1,864,000
14.00	Non-Federal sources (62 Stat. 1070).....	—306,816	—321,000	—332,000

22.98	Unobligated balance transferred, net: Fund balance.....	300,000		100,000
39.00	Budget authority.....	20,064,575	16,294,251	15,658,350
Budget authority:				
Current: Support and related programs:				
40.00	Appropriation.....	25,361,995	21,133,658	9,828,286
40.47	Portion applied to debt reduction.....	—23,190,218	—13,812,046	—9,828,286
40.49	Portion applied to liquidate contract authority.....	—2,551,777	—7,333,612	
41.00	Transferred to other accounts.....	—20,000		
42.00	Transferred from other accounts.....	400,000	12,000	
43.00	Appropriation (adjusted).....			
Permanent:				
60.00	Appropriation: Reimbursement to Commodity Credit Corporation, National Wool Act (permanent, indefinite, special fund).....	122,689	152,130	124,925
67.10	Authority to borrow (15 U.S.C. 713a-4) ..	19,941,886	16,142,121	15,533,425
Relation of obligations to outlays:				
Support and related programs:				
71.00	Obligations incurred, net.....	19,725,578	16,074,288	15,373,275
Obligated balance, start of year:				
72.47	Authority to borrow.....	128,048	3,730,732	9,426,920
72.49	Contract authority.....	9,636,262	7,154,295	
72.98	Fund balance.....	—419,710	—282,447	—282,447
Obligated balance, end of year:				
74.47	Authority to borrow.....	—3,730,732	—9,426,920	—7,793,741
74.49	Contract authority.....	—7,154,295		
74.98	Fund balance.....	282,447	282,447	282,447
77.00	Adjustments.....	3,788,142		
Special activities:				
71.00	Obligations incurred, net.....	38,997	219,963	185,075
72.49	Obligated balance, start of year: Contract authority.....	249,127	179,317	274,355
74.49	Obligated balance, end of year: Contract authority.....	—179,317	—274,355	—332,905
77.00	Adjustments.....	43,323		
90.00	Total outlays.....	22,407,870	17,657,320	17,132,979

Note.—Contingent liabilities, commitments and other obligations do not become charges against the statutory borrowing authority until they result in borrowing from Treasury. Only that portion of borrowing authority is available which has not been charged by actual borrowing.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority.....	20,064,575	16,294,251	15,658,350
Outlays.....	22,407,870	17,657,320	17,132,979
Proposed for later transmittal under proposed legislation:			
Budget authority.....			6,524
Outlays.....			6,524
Credit reform:			
Budget authority.....			11,284
Outlays.....			11,284
Total:			
Budget authority.....	20,064,575	16,294,251	15,676,158
Outlays.....	22,407,870	17,657,320	17,150,787

Status of Unfunded Contract Authority (in thousands of dollars)

Identification code	12-4336-0-3-351	1987 actual	1988 est.	1989 est.
Unfunded balance, start of year.....		9,885,389	7,333,612	
Contract authority.....				
Appropriation to liquidate contract authority.....		—2,551,777	—7,333,612	
Unfunded balance, end of year.....		—7,333,612		

Status of Direct Loans (in thousands of dollars)

SHORT AND MEDIUM TERM LOANS				
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year.....	826,569	777,949	693,863
1251	Repayments: Repayments and prepayments.....	—102,934	—115,960	—32,252
1261	Adjustments: Capitalized interest.....	54,314	31,874	22,006
1290	Outstanding, end of year.....	777,949	693,863	683,617

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

Status of Direct Loans (in thousands of dollars)—Continued

COMMODITY LOANS			
Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans.....		
1131	Direct loan obligations exempt from limitation....	16,566,050	15,023,698
1150	Total direct loan obligations.....	16,566,050	15,023,698
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year.....	18,494,205	15,108,432
1231	Disbursements: Direct loan disbursements.....	16,566,050	14,315,972
1251	Repayments: Repayments and prepayments.....	-13,222,716	-15,987,623
	Adjustments:		
1262	Write-offs for default.....	-918	-63,291
1264	Other adjustments, net ¹	-6,728,189	-2,999,937
1290	Outstanding, end of year.....	15,108,432	10,373,553
STORAGE FACILITY LOANS			
Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans.....		
1131	Direct loan obligations exempt from limitation....	236	
1150	Total direct loan obligations.....	236	
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year.....	174,228	65,179
1231	Disbursements: Direct loan disbursements.....	236	
1251	Repayments: Repayments and prepayments.....	-109,285	-55,212
1290	Outstanding, end of year.....	65,179	9,967
EXPORT GUARANTEE CLAIMS			
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year.....	2,113,096	2,625,958
1232	Disbursements: Disbursements for guaranteed loan claims.....	478,108	707,726
	Repayments:		
1251	Repayments and prepayments.....	-50,685	-107,347
1252	Repayments of defaulted guaranteed loans.....	-33,365	
1261	Adjustments:		
	Capitalized interest.....	118,804	89,359
1290	Outstanding, end of year.....	2,625,958	3,315,696

¹ This entry includes commodities received as the result of loan forfeitures valued at \$6.1, \$2.7, and \$9 billion for fiscal years 1987 through 1989, respectively. It also includes non-receipt of loan repayments for marketing loans and adjustments for loans to peanut associations.

Status of Guaranteed Loans (in thousands of dollars)

Identification code	12-4336-0-3-351	1987 actual	1988 est.	1989 est.
CCC EXPORT GUARANTEE PROGRAM				
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders.....			
2131	Guaranteed loan commitments exempt from limitation.....	2,998,011	5,500,000	5,500,000
2150	Total guaranteed loan commitments.....	2,998,011	5,500,000	5,500,000
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year.....	3,609,378	3,732,055	7,224,483
2231	Disbursements: Disbursements of new guaranteed loans.....	2,447,423	5,500,000	5,500,000
2251	Repayments: Repayments and prepayments.....	-1,868,962	-1,365,141	-2,261,864
2261	Adjustments: Terminations for default that result in direct loans.....	-455,784	-642,431	-616,698
2290	Outstanding, end of year.....	3,732,055	7,224,483	9,845,921

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	3,634,245	7,079,993	9,649,003
Estimate of guaranteed loan subsidy:				
2320	Subsidy amount (in percent).....	13.7	13.7	13.7
2330	Subsidy amount (in thousands of dollars).....	411,000	828,000	828,000

The Corporation was created to stabilize, support, and protect farm income and prices, to help maintain balanced and adequate supplies of agricultural commodities, their products, foods, feeds, and fibers, and to help in their orderly distribution (15 U.S.C. 714-714p). It may make available materials and facilities required in connection with the production and marketing of agricultural commodities and may be used to administer and to temporarily finance numerous special activities.

The Corporation's capital stock of \$100 million is held by the United States. Under present law, up to \$30 billion may be borrowed from the U.S. Treasury to finance operations.

The 1989 estimate includes savings from improving the control and timing of disbursements and handling of cash collections as part of continuing budget management reforms. Current indefinite appropriation authority is requested to cover all net realized losses. Appropriations to the Corporation for net realized losses have no effect on budget authority.

Budget assumptions.—The following general assumptions form the basis for the Corporation's 1988 and 1989 budget estimates: (a) National income will rise both in 1988 and 1989 from the present level; (b) 1988 crop production will rise from 1987 crop levels; (c) generally, exports of agricultural commodities in 1989 are expected to be slightly higher than 1988 levels; (d) yields for the 1988 crops are based on recent averages adjusted for trend; (e) acreage allotments and marketing quotas will be in effect for the 1988 crops of certain kinds of tobacco; (f) poundage quotas will be in effect for the 1988 crop of peanuts.

It is difficult to forecast with accuracy requirements for the year ending September 30, 1989, since the projections are subject to complex and unpredictable factors such as weather, other factors which affect the volume of production of crops not yet planted, feed and food needs here and overseas, and available dollar exchange.

PROGRAMS OF THE CORPORATION

The basic functions of the Corporation include the following programs for which appropriations are made for net realized losses sustained:

1989 Estimate [in thousands of dollars]			
Program	Gross obligations	Net outlays 1989	Net realized loss for year
Short-term and intermediate export credit sales.....		-32,252	
Export Guarantee Program.....	705,536	530,269	-42,410
Commodity loans.....	10,745,851	5,450,054	78,419
Storage facilities.....		-9,721	
Supply.....	310	35	52
Feed grain payments.....	4,008,000	4,111,500	8,023,000
Wheat payments.....	1,245,000	1,233,000	2,530,000
Rice payments.....	301,000	207,200	602,000
Cotton payments.....	207,500	281,900	415,000
Dairy.....	189,000	189,000	189,000
Other support and related.....	8,573,091	2,212,818	4,574,449
Other items not distributed by program:			
Interest.....	1,167,153	1,195,941	727,809

All other.....	639,870	1,636,710	653,173
Total.....	27,782,311	17,006,454	17,750,492

Price support and related stabilization programs.—The Corporation conducts programs to support farm income and prices and stabilize the market for agricultural commodities. Price support is provided to producers of agricultural commodities through loans, purchases, payments, and other means. This is done mainly under the Commodity Credit Corporation Charter Act, as amended (15 U.S.C. 714 et seq.), the Agricultural Act of 1949, as amended (7 U.S.C. 1421 et seq.), and the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1281 et seq.).

Price support is mandatory for the basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco. The Agricultural Act of 1949, as amended, also requires support of the following nonbasic commodities: honey, milk, barley, oats, rye, grain sorghum, sugar and soybeans. The National Wool Act of 1954, as amended (7 U.S.C. 1781-87), requires support for wool and mohair. Support for other nonbasic commodities is discretionary. The support program may also include operations to remove and dispose of surplus agricultural commodities in order to stabilize prices at levels not in excess of those permissible by law.

The principal methods of providing support are loans to and purchases from producers. With limited exceptions, loans made on commodities are nonrecourse. The commodities serve as collateral for the loan and on maturity the producer may deliver or forfeit such collateral to satisfy the loan obligation without further payment.

Direct purchases are also made from processors as well as producers, depending on the commodity involved. Also, special purchases are made under various laws for the removal of surpluses; for example, the Act of August 19, 1958, as amended (7 U.S.C. 1431 note), and section 416 of the Agricultural Act of 1949, as amended (7 U.S.C. 1431).

Set-aside program and acreage limitation program.—The Agricultural Act of 1949, as amended, authorizes the Secretary to establish, through the Corporation, acreage limitation programs for the 1986 through 1990 crops of upland cotton, rice, and ELS cotton. In addition, the Secretary is authorized to implement a set-aside or acreage limitation program for the 1986 through 1990 crops of wheat and feed grains.

Land diversion payments.—The Agricultural Act of 1949, as amended, provides that, to assist in adjusting the acreage of commodities to desirable goals, the Secretary is required, with respect to the 1986 crops of wheat and feed grains if certain stock levels exist on the first day of the marketing years for such crop, to make land diversion payments in the form of an “in-kind” payment; and is required to make land diversion payments with respect to the 1988 crops of corn, grain sorghum, and barley. With respect to the 1987, 1989, and 1990 crops of feed grains, the 1987 and subsequent crops of wheat and the 1986 through 1990 crops of upland cotton, ELS cotton, and rice, the Corporation may make land diversion payments to producers who devote to approved conservation uses acreages of cropland in addition to those required to be so devoted under the

acreage limitation or set-aside programs. For the 1987 and subsequent crops, diversion payments may be paid in cash or on a non-cash basis, including payments in the form of commodities or commodity certificates that may be exchanged for commodities owned by the Corporation.

Producer eligibility.—Producers of feed grains and wheat must comply with acreage limitation provisions or acreage set-aside provisions, and normal crop acreage (NCA) requirements, if in effect, in order to be eligible for price support loans and purchases and deficiency payments. Producers of rice must comply with acreage limitation provisions, if in effect, in order to be eligible for price support loans and purchases and deficiency payments. Producers of cotton must comply with acreage limitation provisions, if in effect, in order to be eligible for price support loans and deficiency payments.

Deficiency payments.—The Agricultural Act of 1949, as amended, establishes: (1) minimum established “target” prices for the 1986 through 1990 crops of the following commodities—wheat, corn, upland cotton, rice, and ELS cotton; (2) minimum price support loan and purchase levels for wheat, feed grains, and rice; and (3) minimum price support loan levels for upland cotton and ELS cotton. Deficiency payments for each of the commodities are required when the target price for the commodity exceeds the national average market price or the price support loan level, whichever is higher. The target prices for grain sorghum and oats and, if designated by the Secretary, barley, are established at a level which is fair and reasonable in relation to the target prices established for corn. These payments may be paid by cash or on a non-cash basis, including payments in the form of commodities or commodity certificates that may be exchanged for commodities owned by CCC.

Disaster Assistance.—Section 633(B) of the Agriculture, Rural Development and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, provided that certain producers who experienced 1986 crop losses from natural disasters were eligible to receive disaster payments in the form of commodity certificates in a total amount not to exceed \$400 million. The Farm Disaster Assistance Act of 1987, Public Law 100-45, amended Section 633(B) to expand the eligibility requirements to other producers, subject to an appropriation for such losses. The Supplemental Appropriations Act, 1987, Public Law 100-71, provided an additional \$135 million for payments to the producers who were eligible to receive the initial \$400 million, and \$25 million for producers who became eligible to receive payments as the result of the amendments made by Public Law 100-45. Public Law 100-202 provided an additional \$12 million to producers who were eligible to receive payments under Public Law 100-45.

Marketing loan and certificate programs.—The Agricultural Act of 1949, as amended, authorizes a mandatory marketing loan program for each of the 1986 through 1990 crops of rice and upland cotton and a discretionary marketing loan program for each of the 1986 through 1990 crops of wheat, feed grains, and soybeans. Under a marketing loan program, a producer

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

may repay a price support loan at a level which is lower than the original loan rate. The Agricultural Act of 1949, as amended, also provides that the Secretary may allow honey producers to repay price support loans at a level which is lower than the original loan rate. The Agricultural Act of 1949, as amended, provided for payments, in the form of negotiable marketing certificates, to persons holding free stocks of upland cotton as of August 1, 1986, and to first handlers of upland cotton (persons regularly engaged in buying or selling upland cotton). The Food Security Act of 1985, as amended, provides for a marketing certificate program for rice producers and sellers.

The following table itemizes CCC certificate payments by program:

VALUE OF CCC CERTIFICATES ISSUED

(In thousands of dollars)

Item	1986 actual	1987 actual	1988 est.	1989 est.
Deficiency payments.....	1,993,265	4,468,281	7,660,273	5,545,100
Diversion payments.....	342,234	1,208,823	741,587	338,500
Upland cotton loan deficiency.....		63,755		
Upland cotton inventory protection.....	388,939	229,894		
Upland cotton first handler.....	14,020	94,257		
Rice marketing.....	540	18,211		
Disaster certificates.....		556,469	12,000	
Export enhancement program.....	9,743	642,981	1,200,000	900,000
Targeted export assistance.....	16,144	68,187	110,000	110,000
Ethanol plant assistance.....	25,177	29,270		
Conservation Reserve Program.....		409,969	778,000	297,000
Emergency Feed Program.....	962	85,488		
Distress Commodity Program.....		769		
Total.....	2,791,024	7,876,354	10,501,860	7,190,600

Grain reserves.—The Agricultural Act of 1949, as amended, authorizes a producer-owned grain reserve program for wheat and feed grains that provides 3-year extended loans to producers. Producers receive annual storage payments under the contract. Program provisions establish when interest is charged. Storage payments cease and producers may repay their loans when market prices reach the higher of 140 percent of the nonrecourse loan rate for the commodity or the established price for the commodity. Under section 5 of the Commodity Credit Corporation Charter Act, as amended, a Special Producer Storage Loan Program is conducted which allows producers with maturing producer-owned grain reserve loans to pledge the collateral securing such loans as collateral for extended storage loans for a period determined by the Secretary.

Dairy.—The Agricultural Act of 1949, as amended, provides for a revised dairy price support program. The support price was \$11.35 per hundredweight for the period January 1, 1987 through September 30, 1987. During the period October 1, 1987 through December 31, 1990, the support price will be \$11.10 per hundredweight. The Secretary will, on January 1 of calendar years 1988, 1989, and 1990, reduce the support price in effect by 50 cents per hundredweight if estimates of CCC purchases of milk or milk products for the twelve-month period beginning on such date is in excess of five billion pounds milk equivalent. However, the price support level may not be reduced unless the milk production termination program implemented for the 18-month period of April 1, 1986 through September 30,

1987 achieved a reduction in production of at least 12 billion pounds by program participants, or the Secretary certifies to Congress that reasonable contract offers were extended but that such offers were not accepted by a sufficient number of producers to achieve the 12 billion pound reduction. In addition, if the Secretary estimates on January 1 in any of the calendar years 1988, 1989, and 1990 that the level of purchases of milk and milk products by CCC for such calendar year will not exceed 2.5 billion pounds, the Secretary shall increase the support price in effect on such date by 50 cents per hundredweight. The support price was reduced from \$11.10 to \$10.60 per hundredweight on January 1, 1988. Under the production termination program, producers submitted bids for payments by CCC in return for the full termination of production by such producers. To encourage the adjustment of milk production to levels consistent with national demand, and finance the production termination program, the Secretary was required to provide for a reduction of 40 cents per hundredweight in the support price received on all milk marketed for commercial use by producers to be made during the period April 1, 1986 through December 31, 1986 and 25 cents per hundredweight for the period January 1, 1987 through September 30, 1987.

Storage facilities.—Pursuant to sections 4(h) and 5(b) of the Commodity Credit Corporation Charter Act, as amended, the Corporation has authority to make secured loans for the purchase, construction, or remodeling of facilities for storage and care of commodities on the farm.

Conservation Reserve Program.—The Food Security Act of 1985, as amended, provides that the Secretary shall carry out a Conservation Reserve Program by entering into 10- to 15-year contracts with owners or operators of highly erodible cropland to assist them in conserving and using the soil and water resources of their farms. Non-erodible lands which pose an off-farm environmental threat or cause productivity degradation due to soil salinity may also be included. In return for placing land in the reserve, farmers receive cost-share and rental payments, as well as technical assistance from USDA agencies. Annual rental payments may be paid in cash or on a non-cash basis, including payments in the form of commodities or commodity certificates that may be exchanged for commodities owned by the Corporation. Total acres to be included in the reserve by the end of fiscal year 1989 are 40 million. The facilities, services and funds of CCC were used to carry out the program in fiscal years 1986 and 1987. The services and facilities of the Corporation may be used in subsequent years, but appropriations must be provided in advance to carry out the program. Beginning in fiscal year 1988, a separate appropriation for advance to CCC was provided to carry out the program. See "Special Activities" section.

Payment limitations.—The Food Security Act of 1985, as amended, provides that the total amount of deficiency and land diversion payments, excluding any deficiency payment received as the result of a reduction of the wheat or feed grain price support loan level, which a person is entitled to receive under one or more of the annual programs for feed grains, wheat, upland cotton,

ELS cotton, and rice for each of the 1987 through 1990 crops of these commodities shall not exceed \$50 thousand. For each of the 1987 through 1990 crops, the total amount of: (1) with respect to wheat, feed grains, upland cotton, ELS cotton, rice, and honey, deficiency payments; land diversion payments; disaster payments; loan deficiency payments; inventory reduction payments; and gains realized from a marketing loan repayment; and (2) with respect to other commodities, gains realized by a producer from repaying a loan at less than the original loan level that a person shall be entitled to receive under one or more of the annual programs for such commodities shall not exceed \$250 thousand, except as otherwise may be authorized by the Secretary. Annual rental payments made under the Conservation Reserve Program are limited to \$50,000 per person.

Supply and foreign purchase.—The Corporation can procure from domestic and foreign sources food, agricultural commodities, and products and related materials to supply the needs of Federal agencies, foreign governments, and private and international relief agencies, under section 5 (b) and (c) of the Commodity Credit Corporation Charter Act, as amended.

Commodity export.—The Corporation promotes the export of agricultural commodities and products through sales for dollars or foreign currency, payments, extension of credit, assumption of certain risks, and conduct of other operations with respect to the exportation of commodities. Such commodities and products may be those held in private trade channels as well as those acquired by the Corporation. These programs are carried out under the Corporation's charter and other specific legislation.

Foreign donations.—Under the authority of section 416(b) of the Agricultural Act of 1949, as amended, the Corporation may furnish eligible commodities for carrying out programs of assistance in developing and friendly countries and may pay costs associated with making the commodities available. Such commodities may also be used to carry out the Food for Progress Act of 1985 or furnished in connection with (1) sales under title I of the Agricultural Trade Development Act of 1954, as amended; (2) agricultural export bonus or promotion programs; or (3) agreements by recipient countries to acquire additional agricultural commodities from the United States through commercial arrangements.

Loan operations.—The following table reflects commodity and storage facility loan operations of the Corporation:

(In thousands of dollars)			
Item	1987 actual	1988 est.	1989 est.
Loans outstanding, gross, start of year:			
Commodity Credit Corporation	18,668,433	15,173,611	10,383,520
Additional loans made	16,566,286	14,315,972	10,745,851
Deduct:			
Loans repaid	13,906,237	16,297,604	11,089,569
Acquisition of loan collateral	6,144,312	2,745,168	904,644
Write-offs	10,559	63,291	78,419
Total loans outstanding, gross, end of year	15,173,611	10,383,520	9,056,739
Loans outstanding, gross, end of year:			
Commodity Credit Corporation	15,173,611	10,383,520	9,056,739
Allowance for losses	—441,858	—302,908	—264,450
Loans receivable, net (support and storage facilities)	14,731,753	10,080,612	8,792,289

Inventory operations.—The following table reflects the inventory operations applicable to the preceding programs:

AGRICULTURAL COMMODITIES			
(In thousands of dollars)			
Item	1987 actual	1988 est.	1989 est.
On hand, start of year: gross	11,049,610	11,734,890	7,442,622
Acquisitions:			
Forfeiture of loan collateral	6,144,312	2,745,168	904,644
Excess of collateral acquired over loans canceled	260,295	138,045	46,149
Purchases	11,211,860	11,300,649	6,843,638
Transfers and exchanges, net	—20,655	24	—
Carrying charges:			
Charges to inventory	98,439	79,877	63,046
Storage and handling (non-add)	(1,375,772)	(1,278,785)	(917,636)
Transportation (non-add)	(184,836)	(135,016)	(77,553)
Total acquisitions	17,694,251	14,263,763	7,857,477
Dispositions:			
Domestic donations to:			
Families	808,668	511,612	179,358
Institutions	242,394	167,165	154,065
School lunch	438,877	394,148	348,891
Total domestic donations	1,489,939	1,072,925	682,314
Export donations	365,819	381,691	51,675
Sales and transfers:			
Special programs: Title II, Public Law 480	282,565	358,203	376,306
Other sales	11,711,665	14,040,411	7,502,225
Net loss or gain (—) on sales and transfers	3,158,983	2,702,801	661,474
Total sales and transfers	15,153,213	17,101,415	8,540,005
Total dispositions	17,008,971	18,556,031	9,273,994
On hand, end of year, gross	11,734,890	7,442,622	6,026,105
Allowance for losses	—2,946,675	—1,868,842	—1,513,155
On hand, end of year, net	8,788,215	5,573,780	4,512,950

Other data.—The following table reflects other data which is applicable to price support and related programs:

DATA ON SUPPORT AND RELATED PROGRAMS			
(In thousands of dollars)			
Item	1987 actual	1988 est.	1989 est.
Loans made	16,566,286	14,315,972	10,745,851
Loans repaid	13,906,237	16,297,604	11,089,569
Loan collateral forfeited	6,144,312	2,745,168	904,644
Loans outstanding, end of year	15,173,611	10,383,520	9,056,739
Acquisitions	17,694,251	14,263,763	7,857,477
Cost of commodities sold	15,153,213	17,101,415	8,540,005
Cost of commodities donated	1,855,758	1,454,616	733,989
Inventory, end of year	11,734,890	7,442,622	6,026,105
Investment in loans and inventory, end of year	26,908,501	17,826,142	15,082,844
Direct producer payments	5,862,244	3,983,500	6,022,600
Net expenditures	22,255,740	17,532,395	17,006,454
Realized losses	26,133,774	22,256,884	17,750,492

Operating expenses.—The Corporation carries out its functions through utilization of employees and facilities of other Government agencies. Administrative expenses are incurred for the services of: the Agricultural Stabilization and Conservation Service, General Sales Manager, and other agencies of the Department engaged in the Corporation's activities; and the General Accounting Office for audit. Additional expenses are incurred for ASCS county offices for work related to programs of the Corporation, other ASCS expenses offset by revenue, custodian, and agency expenses of the Federal Reserve banks and lending agencies, and miscellaneous costs.

Expenses are incurred for acquisition, operation, maintenance, improvement, or disposition of property

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

which the Corporation owns or in which it has an interest. These expenses are treated as program expenses. Such program expenses include inspection, classing and grading work performed on a fee basis by Federal employees or Federal- or State-licensed inspectors; work relating to Commodity Credit Corporation programs performed on a contract or fee basis by Agricultural Stabilization and Conservation Service; and special services performed by other Federal agencies within and outside this Department. Most of these general expenses, including storage and handling, transportation, inspection, classing and grading, and producer storage payments, are included in program costs. They are shown in the program and financing schedule in the entries entitled "Storage, transportation, and other obligations not included above," and "Producer storage payments."

The Corporation receives reimbursement for grain requisitioned pursuant to Public Law 87-152 (7 U.S.C. 447-449) by the States from Corporation stocks to feed resident wildlife threatened with starvation through the appropriation reimbursement for net realized losses. There have been no requisitions in recent years, however.

SPECIAL ACTIVITIES

These activities are carried out under authority of section 5(g) of the Corporation's charter act and specific statutory authorizations or directives with respect thereto which are currently in effect or which may subsequently be enacted.

A summary of such current activities not included under other designated activities is as follows:

Item	1989 estimate (In thousands of dollars)	
	Gross obligations	Outlays (reimbursable)
(1) Sale of agricultural commodities for foreign currencies.....	45,800	45,800
(2) Financing sales of agricultural commodities for convertible foreign currencies and for dollars on credit terms.....	766,200	434,200
(3) Commodities supplied in connection with dispositions abroad.....	601,750	601,750
(4) National Wool Act.....	126,525	126,525
(5) Conservation Reserve Program.....	1,864,000	1,864,000
Total.....	3,404,275	3,072,275

The Corporation receives appropriations or reimbursement for cost of these activities as described under each.

Activities currently being carried out are as follows (see Foreign Assistance programs for details of items (1), (2), (3) and (4) and see Conservation Reserve Program for details of item (5)):

(1) Sale of agricultural commodities for foreign currencies.

(2) Financing sales of agricultural commodities for convertible foreign currencies and for dollars on credit terms (*titles I and III, Public Law 480*).

(3) Commodities supplied in connection with dispositions abroad (*title II, Public Law 480*).

(4) *National Wool Act*.—Under the National Wool Act of 1954, as amended, support of prices of wool and mohair is mandatory. The Corporation makes payments to producers in order to bring the national average

price received by all producers up to the support price required under the act.

(5) *Conservation Reserve Program*.—The Food Security Act of 1985, as amended, provides that the Secretary shall carry out a Conservation Reserve Program by entering into 10- to 15-year contracts with owners and operators of highly erodible cropland to assist them in conserving and using the soil and water resources of their farms. In return for placing land in the reserve, farmers receive cost-share and rental payments, as well as technical assistance from USDA agencies. Beginning in fiscal year 1988, a separate appropriation for advance to CCC was provided to carry out the program.

COST OF THE NATIONAL WOOL ACT

Item	[In thousands of dollars]		
	1987 actual	1988 est.	1989 est.
Marketings on which payments made:			
Shorn wool (thousand pounds).....	79,022	82,560	88,200
Unshorn lambs (thousands cwts).....	4,227	4,000	4,100
Mohair (thousand pounds).....	17,794	13,600	14,200
Amount of payments:			
Shorn wool.....	83,137	75,100	77,600
Unshorn lambs.....	19,323	14,600	14,400
Mohair.....	42,947	29,900	29,700
Promotional and advertising program ¹ (non-add).....	(5,761)	(6,764)	(7,162)
Total payments.....	145,407	119,600	121,700
Administrative expense.....	2,352	1,863	1,799
Interest expense.....	4,371	3,462	3,026
Total.....	152,130	124,925	126,525

¹ Deductions from producer payments for promotional advertising and selected marketing development activities.

Total payments made under the National Wool Act cannot at any time exceed an amount equal to 70 percent of the accumulated totals, as of the same date, of the gross receipts from import duties collected on and after January 1, 1953, on wool and wool manufactures. Actual or estimated payments compared with this limitation are as follows:

Item	[In thousands of dollars]		
	1987 actual	1988 est.	1989 est.
70% of customs receipts on wool and wool manufactures, cumulative from Jan. 1, 1953, to end of preceding calendar year.....	3,770,682	4,073,082	4,378,982
Cumulative incentive payments on marketings to end of preceding calendar year.....	1,798,563	1,918,163	2,039,863
Balance of limitation available for payments in succeeding marketing years.....	1,972,119	2,154,919	2,339,119

Funds of the Corporation are used to carry on this program. For the purpose of reimbursing the Corporation, section 705 of the act appropriates each fiscal year an amount equal to amounts expended by the Corporation during the preceding year and to amounts expended in prior fiscal years not previously reimbursed, but not to exceed an amount equal to 70 percent of the gross receipts from duties collected on wool and wool manufactures during the calendar year preceding the fiscal year.

Estimated costs and appropriations to the Corporation are indicated in the following table:

Item	[In thousands of dollars]		
	1987 actual	1988 est.	1989 est.
Due start of year.....	122,689	152,130	124,925

Costs for year:			
Program	147,759	121,463	123,499
Interest	4,371	3,462	3,026
Subtotal	152,130	124,925	126,525
Total due	274,819	277,055	251,450
Appropriations to Commodity Credit Corporation for the year	122,689	152,130	124,925
Due end of year	152,130	124,925	126,525

FINANCING

Borrowing authority.—The Corporation has an authorized capital stock of \$100 million held by the United States and, effective in fiscal year 1988, authority to borrow up to \$30 billion.

Funds are borrowed from Treasury and may also be borrowed from private lending agencies and others. The Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made by such agencies and others. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the Act of March 8, 1938 (15 U.S.C. 713a-4).

Interest on borrowings from the Treasury (and on capital stock) is paid at a rate based upon the average interest rate of all outstanding marketable obligations (of comparable maturity date) of the United States as of the preceding month. Interest is also paid on other notes and obligations at a rate prescribed by the Corporation and approved by the Secretary of Treasury.

The Department of Agriculture and Related Agencies Appropriation Act, 1966, made provision for terminating interest after June 30, 1964 on the portion of the Corporation's borrowings from the Treasury equal to the unreimbursed realized losses recorded on the books of the Corporation after the end of the fiscal year in which such losses are realized.

POSITION WITH RESPECT TO BORROWING AUTHORITY, END OF YEAR

[In thousands of dollars]			
Item	1987 actual	1988 est.	1989 est.
Statutory borrowing authority	25,000,000	30,000,000	30,000,000
Deduct: Borrowings from Treasury	20,969,268	17,435,838	24,674,156
Total statutory borrowing authority in use	20,969,268	17,435,838	24,674,156
Net statutory borrowing authority available	4,030,732	12,564,162	5,325,844

Note.—Accounts payable, accrued liabilities and other outstanding obligations not reflected on this table do not become charges against the statutory borrowing authority until they result in borrowings from the Treasury.

Contract authority.—Price support and other programs required by statute may result in the Corporation incurring obligations in excess of available funds and borrowing authority. Such obligations are liquidated from subsequent appropriations and other funds which may become available to the Corporation. Any increase in obligations in excess of available fund resources is reported as contract authority in the year involved; a decrease is reported as the application of appropriations and other funds to liquidate the authority.

Appropriations.—Under section 2 of Public Law 87-155 (15 U.S.C. 713a-11), annual appropriations are authorized for each fiscal year to reimburse the Corporation for net realized losses incurred as of the close of each year. However, for fiscal year 1988, Congress appropriated specified amounts for various activities of the Corporation in lieu of providing reimbursement for the Corporation's losses.

The special activities are financed as indicated in the program descriptions above. In addition to certain reimbursements from other agencies, appropriations are made for the National Wool Act (see above), foreign assistance programs, and the Conservation Reserve Program.

Deficit.—The net realized losses of the Corporation have previously been reimbursed as follows:

SUPPORT AND RELATED PROGRAMS

[In thousands of dollars]	
Realized losses, 1933 to 1987, inclusive	166,010,433
Reimbursements by the Treasury:	
Reimbursements of realized losses:	
Appropriations (48 times)	159,675,845
Note cancellations (6 times)	2,697,807
Less dividends paid to Treasury (4 times)	—138,209
Total reimbursements for net realized losses	162,235,443
Other reimbursements:	
Appropriations (2 times)	541,916
Note cancellation (1 time)	56,239
Total other reimbursements	598,155
Total	162,833,598
Realized deficit as of September 30, 1987, support and related programs	3,176,835

SPECIAL ACTIVITIES

Realized losses, 1948 to 1987, inclusive	43,177,758
Excess amounts appropriated to reimburse cost of special activities	778,941
Reimbursements by the Treasury:	
Appropriations (41 times)	43,234,446
Note cancellations (4 times)	536,518
Other reimbursements: Sale proceeds (5 times)	33,605
Total reimbursements	43,804,569
Realized deficit as of September 30, 1987, special activities	152,130

Capital and deficit, special activities.—Advances to the Corporation in excess of costs incurred, and costs incurred in excess of advances received are shown in the following table:

Excess of funds held by CCC [In thousands of dollars]				
	1986 actual	1987 actual	1988 est.	1989 est.
Foreign assistance programs: Public Law 480:				
Titles I and III: Sale of agricultural commodities for foreign currencies and for dollars on credit terms	344,014	364,209	262,805	211,005
Title II: Commodities supplied in connection with dispositions abroad	366,795	414,732	414,732	414,732
Total	710,809	778,941	677,537	625,737
Deficit requiring subsequent funds				
Deficit financed by CCC or excess funds held (—) (nonadd)	—710,809	—778,941	—677,537	—625,737
Increase or decrease (—) in amount owed by general fund for foreign assistance programs (nonadd)	—147,970	—68,132	101,404	51,800
Other programs: National Wool Act	122,689	152,130	124,925	126,525
Total	122,689	152,130	124,925	126,525

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Support and related programs:			
Revenue	13,518,609	14,997,695	8,379,195
Expense	39,652,383	37,254,579	26,129,687
Net realized losses	—26,133,774	—22,256,884	—17,750,492

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

Revenue and Expense (in thousands of dollars)—Continued

	1987 actual	1988 est.	1989 est.
Increase (—) or decrease in provisions for losses (unrealized):			
On commodities for sale.....	1,161,649	1,077,833	355,687
On loans receivable.....	— 79,907	138,950	38,459
On accounts receivable.....	— 25,695	— 2	—
Net loss for the year, support and related programs.....	— 25,077,727	— 21,040,103	— 17,356,346
Special activities:			
Revenue.....	379,562	321,000	332,000
Received from appropriations: Decrease in unearned receipts.....	— 68,132	101,404	51,800
Earned revenue.....	311,430	422,404	383,800
Expense.....	1,546,630	1,600,559	1,540,275
Net realized loss, special activities.....	— 1,235,200	— 1,178,155	— 1,156,475
Net loss for the year.....	— 26,312,927	— 22,218,258	— 18,512,821

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Drawing account with Treasury.....	— 419,710	— 282,447	— 282,447	— 282,447
Accounts receivable: Support and related programs (net of provisions for losses).....	1,234,247	1,610,860	2,682,095	2,552,421
Selected assets: Support and related programs:				
Agricultural commodities for sale, net of provision for losses.....	6,941,286	8,788,215	5,573,780	4,512,950
Advances to producers.....	279,138	483,385	—	—
Deferred and undistributed charges.....	250,021	990,889	2,605,377	3,605,377
Loans receivable, guarantee claims re-scheduled.....	1,950,897	2,356,962	3,315,696	3,959,709
Interest in amounts due from foreign governments and private trade entities under Public Law 480.....	10,917,794	11,560,205	12,148,031	12,692,883
Loans receivable, net of provision for losses:				
Commodity and storage facility loans (held by Commodity Credit Corporation).....	18,306,482	14,731,753	10,080,612	8,792,289
Export credit sales programs.....	826,569	777,949	693,863	683,617
Loans to government agencies.....	450,000	—	—	—
Fixed assets, net.....	76,315	89,694	113,526	97,063
Total assets.....	40,813,039	41,107,465	36,930,533	36,613,862
Liabilities:				
Current liabilities:				
Support and related programs.....	11,364,469	14,596,208	13,339,159	12,833,894
Deferred interest in amounts due from foreign governments and private trade entities under Public Law 480.....	10,917,794	11,560,205	12,148,031	12,692,883
Debt issued under borrowing authority: Borrowing from Treasury.....	24,871,952	20,969,268	17,435,838	24,674,156
Total liabilities.....	47,154,215	47,125,681	42,923,028	50,200,933
Government equity:				
Obligations other than liabilities:				
Support and related programs:				
Other commitments.....	240,006	161,474	78,580	80,209
Special activities: Letters of commitment for Public Law 480.....	249,127	179,317	169,817	161,132
Total obligations other than liabilities.....	489,133	340,791	248,397	241,341
Unfinanced budget authority.....	— 6,830,309	— 6,359,007	— 6,240,892	— 13,828,412
Total Government equity.....	— 6,341,176	— 6,018,216	— 5,992,495	— 13,587,071

Note.—In addition to obligations other than liabilities, the Corporation does not reflect in its accounts claims by the Corporation on which adequate proof has not been established.

Object Classification (in thousands of dollars)

Identification code	12-4336-0-3-351	1987 actual	1988 est.	1989 est.
22.0	Transportation of things.....	537,730	600,247	420,297
25.0	Other services.....	1,265,020	880,916	690,737
25.0	Other services (storage and handling).....	2,003,890	2,327,098	1,439,177
	Supplies and materials: Cost of commodities sold or donated:			
26.0	Foreign assistance programs.....	1,035,760	1,130,403	1,111,006
26.0	Other.....	11,549,939	12,604,355	8,817,103
31.0	Equipment.....	36,970	52,750	14,500
33.0	Investments and loans.....	17,044,394	15,023,698	11,451,387
41.0	Grants, subsidies, and contributions.....	4,547,657	3,689,276	6,072,200
43.0	Interest and dividends.....	1,227,063	1,600,269	1,170,179
99.9	Total obligations.....	39,248,423	37,909,012	31,186,586

COMMODITY CREDIT CORPORATION FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-4336-2-3-351	1987 actual	1988 est.	1989 est.
Program by activities:				
00.14	Operating expenses: Interest: Treasury.....	—	—	— 161
01.03	Capital investment: Guarantee claims.....	—	—	— 5,279
10.00	Total obligations.....	—	—	— 5,440
Financing:				
14.00	Offsetting collections from: Non-Federal sources: Sales and other proceeds.....	—	—	11,964
39.00	Budget authority.....	—	—	6,524
	Budget authority:			
47.10	Authority to borrow.....	—	—	6,524
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	—	—	6,524
	Obligated balance, end of year:			
74.47	Authority to borrow.....	—	—	6,524
74.49	Contract authority.....	—	—	— 6,524
90.00	Outlays.....	—	—	6,524

Status of Direct Loans (in thousands of dollars)

Identification code	12-4336-2-3-351	1987 actual	1988 est.	1989 est.
CCC GUARANTEE CLAIMS				
Cumulative balance of direct loans outstanding:				
1232	Disbursements: Disbursements for guaranteed loan claims.....	—	—	— 5,279
1290	Outstanding, end of year.....	—	—	— 5,279

Status of Guaranteed Loans (in thousands of dollars)

Identification code	12-4336-2-3-351	1987 actual	1988 est.	1989 est.
EXPORT GUARANTEE PROGRAMS				
GUARANTEED LOANS				
Position with respect to appropriation act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders.....	—	—	— 2,000,000
2150	Total guaranteed loan commitments.....	—	—	— 2,000,000
Cumulative balance of guaranteed loans outstanding:				
2231	Disbursements: Disbursements of new guaranteed loans.....	—	—	— 2,000,000
2290	Outstanding, end of year.....	—	—	— 2,000,000

MEMORANDUM

2299 Memorandum: U.S. contingent liability for guaranteed loans outstanding, end of year -1,960,000

Estimate of guaranteed loan subsidy:

2320 Subsidy amount (in percent) -13.7
2330 Subsidy amount (in thousands of dollars) -275,000

Legislation will be developed to modify the current domestic sugar program to implement fair treatment for taxpayers, consumers, and farmers.

Legislation will be proposed to reduce the floor, or minimum annual levels, for short-term export credit loan guarantees from \$5 billion to \$3 billion.

Object Classification (in thousands of dollars)

Identification code	12-4336-2-3-351	1987 actual	1988 est.	1989 est.
33.0	Investments and loans.....			-5,279
43.0	Interest and dividends.....			-161
99.9	Total obligations.....			-5,440

COMMODITY CREDIT CORPORATION LOAN SUBSIDIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-4336-6-3-351	1987 actual	1988 est.	1989 est.
Program by activities:				
Support and related programs:				
Operating expenses: programs:				
00.14	Interest: Treasury.....			-570
01.03	Capital investment: Guarantee claims.....			-18,592
10.00	Total obligations.....			-19,162
Financing:				
14.00	Offsetting collections from: Non-Federal funds.....			30,446
39.00	Budget authority (appropriation).....			11,284
Budget authority:				
47.10	Authority to borrow (substantive law).....			11,284
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			11,284
74.47	Obligated balance, end of year.....			11,284
74.49	Obligated balance, end of year.....			-11,284
90.00	Outlays.....			11,284

Status of Direct Loans (in thousands of dollars)

Identification code	12-4336-6-3-351	1987 actual	1988 est.	1989 est.
Cumulative balance of direct loans outstanding:				
1232	Disbursements: Disbursements for guaranteed loan claims.....			-18,592
1290	Outstanding, end of year.....			-18,592

Status of Guarantee Loans (in thousands of dollars)

Identification code	12-4336-6-3-351	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans by private lenders.....			-3,500,000
2131	Guaranteed loan commitments exempt from limitation.....			-3,500,000
2150	Total guaranteed loan commitments.....			-3,500,000
Cumulative balance of guaranteed loans outstanding:				
2231	Disbursements: Disbursements of new guaranteed loans.....			-3,500,000
2290	Outstanding, end of year.....			-3,500,000

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year -3,430,000

Estimate of guaranteed loan subsidy:

2320 Subsidy amount (in percent) -13.7
2330 Subsidy amount (in thousands of dollars) -554,000

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

Object Classification (in thousands of dollars)

Identification code	12-4336-6-3-351	1987 actual	1988 est.	1989 est.
33.0	Investments and loans.....			-18,592
43.0	Interest and dividends.....			-570
99.9	Total obligations.....			-19,162

General and special funds:

[TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM]

[For necessary expenses to carry out the Temporary Emergency Food Assistance Act of 1983, as amended, \$50,000,000: *Provided*, That, in accordance with section 202 of Public Law 98-92, these funds shall be available only if the Secretary determines the existence of excess commodities.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-3635-0-1-351	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0).....	50,000	50,000	
Financing:				
40.00	Budget authority (appropriation).....	50,000	50,000	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	50,000	50,000	
72.40	Obligated balance, start of year.....	18,063	20,588	20,603
74.40	Obligated balance, end of year.....	-20,588	-20,603	-4,803
77.00	Adjustments in expired accounts.....	-979		
90.00	Outlays.....	46,496	49,985	15,800

This program, authorized by the Temporary Emergency Food Assistance Act of 1983, as amended, provides funding to States to cover storage and distribution costs of CCC emergency donated commodities. Funds provided in this appropriation are administered through the Food and Nutrition Service.

COMMODITY CREDIT CORPORATION LOAN SUBSIDIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-1336-6-1-351	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Short-term export guarantee subsidy.....			411,000
00.02	Intermediate export guarantee subsidy.....			143,000
00.14	Interest: Treasury.....			570
00.91	Total direct program.....			554,570
10.00	Total obligations.....			554,000
Financing:				
39.00	Budget authority.....			554,000

General and special funds—Continued

COMMODITY CREDIT CORPORATION LOAN SUBSIDIES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-1336-6-1-351	1987 actual	1988 est.	1989 est.
Budget authority:				
47.10	Authority to borrow (substantive law)			554,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net			554,000
90.00	Outlays			554,000

Status of Direct Loans (in thousands of dollars)

Identification code	12-1336-6-1-351	1987 actual	1988 est.	1989 est.
Cumulative balance of direct loans outstanding:				
1232	Disbursements: Disbursements for guaranteed loan claims			18,592
1290	Outstanding, end of year			18,592

Status of Guarantee Loans (in thousands of dollars)

Identification code	12-1336-6-1-351	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans by private lenders			
2131	Guaranteed loan commitments exempt from limitation			3,500,000
2150	Total guaranteed loan commitments			3,500,000
Cumulative balance of guaranteed loans outstanding:				
2231	Disbursements: Disbursements of new guaranteed loans			3,500,000
2290	Outstanding, end of year			3,500,000
MEMORANDUM				
2299	U.S. contingent liability for guaranteed loans outstanding, end of year			3,430,000
Estimate of guaranteed loan subsidy:				
2320	Subsidy amount (in percent)ng, end of year			13.7
2330	Subsidy amount (in thousands of dollars)			554,000

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

OFFICE OF RURAL DEVELOPMENT POLICY

Federal Funds

General and special funds:

SALARIES AND EXPENSES

Program and Financing (in thousands of dollars)

Identification code	12-0801-0-1-452	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net			
72.40	Obligated balance, start of year	215	25	
74.40	Obligated balance, end of year	-25		
77.00	Adjustments in expired accounts	-93		
90.00	Outlays	96	25	

No funding was provided for fiscal year 1988, and no funding is requested for fiscal year 1989.

RURAL ELECTRIFICATION ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For administrative expenses to carry out the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950(b)), and to administer the loan and loan guarantee programs for Community Antenna Television facilities as authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921-1995), and for which commitments were made prior to fiscal year [1988] 1989, including not to exceed \$7,000 for financial and credit reports, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$103,000 for employment under 5 U.S.C. 3109, [\$30,713,000] \$22,137,000.

[OFFICE OF THE ADMINISTRATOR]

[For necessary salaries and expenses of the Office of the Administrator of the Rural Electrification Administration, \$155,000; *Provided*, That no other funds in this Act shall be available for this Office.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-3100-0-1-271	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Administration of rural electrification program	14,531	16,585	11,954
00.02	Administration of rural telephone and CATV programs ..	12,378	14,128	10,183
00.03	Office of the Administrator		155	
00.91	Total direct program	26,909	30,868	22,137
01.01	Reimbursable program		40	6,653
10.00	Total obligations	26,909	30,908	28,790
Financing:				
11.00	Offsetting collections from: Federal funds		-40	-6,653
25.00	Unobligated balance lapsing	2,537		
40.00	Budget authority (appropriation)	29,447	30,868	22,137
Relation of obligations to outlays:				
71.00	Obligations incurred, net	26,909	30,868	22,137
72.40	Obligated balance, start of year	3,317	3,862	3,038
74.40	Obligated balance, end of year	-3,862	-3,038	-2,179
77.00	Adjustments in expired accounts	-36		
90.00	Outlays	26,328	31,692	22,996

The Rural Electrification Administration, under authority of the Rural Electrification Act of 1936, as amended, makes heavily subsidized direct loans and guarantees loans made by other qualified lenders to rural electric and telephone systems for electric and telephone service in rural areas. Because of population growth over the past several decades, a number of borrowers now serve areas that are predominantly suburban.

In order to administer the REA loan subsidy programs and to ensure that construction and operation projects conform to approved standards, REA furnishes, without cost to the borrower, business management and technical assistance on a regular basis. This objective is carried out through regulations, personal visits to the borrowers, and training. REA has personnel in the Washington office and a field staff who have expertise in the electric or telephone industry and who are available to assist borrowers in specialized areas.

The heavily subsidized lending programs have cost the Treasury over \$17 billion since 1973 even though the goals of the program have largely been accomplished. For these reasons, the administration proposes

to convert the programs to partial (either 70 or 80 percent) guarantees of private loans. Staff resources necessary to carry out these programs are kept at levels to maintain the program.

The Rural Telephone Bank will pay its share of administrative expenses and will reimburse the Salaries and expenses account accordingly. It will also take the necessary steps to ensure it achieves privatization in 1995.

Object Classification (in thousands of dollars)

Identification code 12-3100-0-1-271	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	19,362	21,121	14,992
11.3 Other than full-time permanent	144	149	107
11.5 Other personnel compensation	276	281	204
11.9 Total personnel compensation	19,782	21,551	15,303
12.1 Civilian personnel benefits	2,598	3,240	2,423
13.0 Benefits for former personnel	10	10	8
21.0 Travel and transportation of persons	1,618	1,993	1,459
22.0 Transportation of things	73	83	57
23.3 Communications, utilities, and miscellaneous charges	710	880	681
24.0 Printing and reproduction	283	323	243
25.0 Other services	1,107	1,349	1,099
26.0 Supplies and materials	263	459	306
31.0 Equipment	464	980	558
42.0 Insurance claims and indemnities	1		
99.0 Subtotal, direct obligations	26,909	30,868	22,137
99.0 Reimbursable obligations		40	6,653
99.9 Total obligations	26,909	30,908	28,790

Personnel Summary

Total number of full-time permanent positions	535	550	500
Total compensable workyears: Full-time equivalent employment	524	550	500

REIMBURSEMENT TO THE RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND

For an additional amount to reimburse the rural electrification and telephone revolving fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950(b)), \$327,675,000. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 12-3101-0-1-271	1987 actual	1988 est.	1989 est.
Program by activities:			
10.00 Total obligations (object class 33.0)	20,000	327,675	
Financing:			
40.00 Budget authority (appropriation)	20,000	327,675	
Relation of obligations to outlays:			
71.00 Obligations incurred, net	20,000	327,675	
90.00 Outlays	20,000	327,675	

This appropriation reimburses the rural electrification and telephone revolving fund for interest subsidies and loan default losses incurred by the revolving fund.

This appropriation is not warranted since the fund has already been given a large subsidy for such purposes. It is exempted by the Act from paying millions in annual interest costs owed to the Treasury on advances totaling \$7.9 billion. The costs of this interest-free loan have been sustained by the Treasury, not by the revolving

fund. Therefore, no appropriation is requested for 1989.

PURCHASE OF RURAL TELEPHONE BANK CAPITAL STOCK

For the purchase of Class A stock of the Rural Telephone Bank, \$28,710,000, to remain available until expended (7 U.S.C. 901-950(b)). (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 12-3102-0-1-452	1987 actual	1988 est.	1989 est.
Program by activities:			
10.00 Total obligations (object class 33.0)	28,710	28,710	
Financing:			
40.00 Budget authority (appropriation)	28,710	28,710	
Relation of obligations to outlays:			
71.00 Obligations incurred, net	28,710	28,710	
90.00 Outlays	28,710	28,710	

The Rural Electrification Act of 1936, as amended, authorizes appropriations for the purchase of Class A stock in the Rural Telephone Bank by the U.S. Government.

No appropriation is requested for 1989. The Federal Government has already provided \$506 million in subsidized capital (2 percent interest) to the Bank—\$206 million over the amount in the original statute establishing the Bank. Since 1973 the cost to the taxpayer for this subsidy exceeds \$200 million. Since all RTB borrowers are financially strong and compare favorably to investor owned companies, there is no need for increasing the subsidy.

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN SUBSIDIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 12-1230-6-1-271	1987 actual	1988 est.	1989 est.
Program by activities:			
00.01 Guaranteed loan subsidy, Power supply/electric			24,620
00.02 Guaranteed loan subsidy, Electric distribution and telephone			56,060
10.00 Total obligations			80,680
Financing:			
40.00 Budget authority (appropriation)			80,680
Relation of obligations to outlays:			
71.00 Obligations incurred, net			80,680
74.40 Obligated balance, end of year			—70,260
90.00 Outlays			10,420

Status of Guaranteed Loans (in thousands of dollars)

Identification code 12-1230-6-1-271	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans by private lenders			1,318,955
2150 Total guaranteed loan commitments			1,318,955
Cumulative balance of guaranteed loans outstanding:			
2231 Disbursements: Disbursements of new guaranteed loans			178,843

General and special funds—Continued

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN
SUBSIDIES—Continued

Status of Guaranteed Loans (in thousands of dollars)—Continued

Identification code	12-1230-6-1-271	1987 actual	1988 est.	1989 est.
2290	Outstanding, end of year.....			178,843

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....			127,190
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Estimate of guaranteed loan subsidy:

Subsidy amount (in percent):				
2320	Electric distribution and telephone.....			5.0
2320	Power supply/electric.....			12.3
Subsidy amount (in thousands of dollars):				
2330	Electric distribution and telephone.....			56,060
2330	Power supply/electric.....			24,620

This schedule shows the effects of the Administration's credit reform proposal for REA partially guaranteed loans. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

RURAL TELEPHONE BANK LOAN SUBSIDIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-1231-6-1-452	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Direct loan subsidy.....			26,920
10.00	Total obligations.....			26,920
Financing:				
40.00	Budget authority (appropriation).....			26,920
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			26,920
74.40	Obligated balance, end of year.....			-25,305
90.00	Outlays.....			1,615

Status of Direct Loans (in thousands of dollars)

Identification code	12-1231-6-1-452	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans.....			177,045
1150	Total direct loan obligations.....			177,045
Cumulative balance of direct loans outstanding:				
1231	Disbursements: Direct loan disbursements.....			10,623
1290	Outstanding, end of year.....			10,623
Estimate of direct loan subsidy:				
1320	Subsidy amount (in percent).....			15.2
1330	Subsidy amount (in thousands of dollars).....			26,920

This schedule shows the effects of the Administration's credit reform proposal for Rural Telephone Bank direct loans. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations made by this program. An explanation of the proposal is included in Part 6b of the Budget.

Public enterprise funds:

RURAL COMMUNICATION DEVELOPMENT FUND

To reimburse the Rural Communication Development Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in making Community Antenna Television loans and loan guarantees under sections 306 and 310B of the Consolidated Farm and Rural Development Act, as amended, **[\$1,309,000]** **\$1,447,000.** (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification Code	12-4142-0-3-452	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (Interest on borrowings) (object class 43.0).....	2,639	2,646	2,684
Financing:				
14.00	Offsetting collections from: Non-Federal sources.....	-1,064	-1,337	-1,237
32.47	Balance of authority to borrow withdrawn.....	16		
40.00	Budget authority (appropriation).....	1,591	1,309	1,447
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,575	1,309	1,447
Obligated balance, start of year:				
72.47	Authority to borrow.....	-34	-50	-50
72.98	Fund balance.....	2,126	2,945	2,945
Obligated balance, end of year:				
74.47	Authority to borrow.....	50	50	50
74.98	Fund balance.....	-2,945	-2,945	-2,945
90.00	Outlays.....	772	1,309	1,447

Status of Direct Loans (in thousands of dollars)

Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year.....	18,263	18,982	18,585
1231	Disbursements: Direct loan disbursements.....	254		
1251	Repayments: Repayments and prepayments.....	-770	-397	-376
1264	Adjustments: Other adjustments, net ¹	1,235		
1290	Outstanding, end of year.....	18,982	18,585	18,209

¹ Restoration of amounts included as write-offs for default in fiscal year 1985 and 1986.

Status of Guaranteed Loans (in thousands of dollars)

Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year.....	6,060	5,756	5,886
2231	Disbursements: Disbursements of guaranteed loans.....		525	500
2251	Repayments: Repayments and prepayments.....	-304	-395	-480
2290	Outstanding, end of year.....	5,756	5,886	5,906

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	5,756	5,886	5,906
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The Rural Development Insurance Fund was established on October 1, 1972, pursuant to section 116 of the Rural Development Act of 1972 (Public Law 92-419) approved August 30, 1972, to make community facility and business and industrial loans and guaranteed loans to both profit and nonprofit organizations.

The Rural Communication Development Fund, an account under the Rural Development Insurance Fund authorities, was established pursuant to Secretary's Memorandum No. 1988 approved May 22, 1979. This memorandum transferred certain financing authorities under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) from the Farmers Home Administration to the Rural Electrification Administration for the purpose of financing and administering community antenna television services or facilities in

rural areas. Funding is required for losses from operation of the program.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Revenue.....	989	940	861
Expense.....	— 2,639	— 2,646	— 2,684
Net loss for the year.....	— 1,650	— 1,706	— 1,823

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Fund balance.....	2,126	2,945	2,945	2,944
Loans receivable (net).....	18,263	17,471	17,074	16,698
Accounts receivable (net).....	393	239	376	344
Total assets.....	20,782	20,655	20,395	19,986
Liabilities:				
Debt issued under borrowing authority:				
Borrowings from Treasury.....	24,604	24,604	24,604	24,604
Accounts payable (net).....	1,403	1,335	1,472	1,440
Total liabilities.....	26,007	25,939	26,076	26,044
Government equity:				
Undelivered orders.....	2,053	1,799	1,799	1,799
Unfinanced budget authority:				
Borrowing authority.....	34	50	50	49
Invested capital.....	— 7,311	— 7,133	— 7,530	— 7,906
Total Government equity.....	— 5,224	— 5,284	— 5,681	— 6,058

[RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN AUTHORIZATIONS]

[Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936, as amended (7 U.S.C. 935), shall be made as follows: rural electrification loans, not less than \$622,050,000 nor more than \$933,075,000; and rural telephone loans, not less than \$239,250,000 nor more than \$311,025,000; to remain available until expended: *Provided*, That loans made pursuant to section 306 of that Act are in addition to these amounts but during fiscal year 1988 total commitments to guarantee loans pursuant to section 306 shall be not less than \$933,075,000 nor more than \$2,100,615,000 of contingent liability for total loan principal: *Provided further*, That as a condition of approval of insured electric loans during fiscal year 1988, borrowers shall obtain concurrent supplemental financing in accordance with the applicable criteria and ratios in effect as of July 15, 1982: *Provided further*, That no funds appropriated in this Act may be used to deny or reduce loans or loan advances based upon a borrower's level of general funds.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
12-4230-0-3-271			
Program by activities:			
Operating expenses:			
00.01 Interest expense on certificates of beneficial ownership.....	460,513	469,900	486,900
00.02 Interest on interim borrowings.....	3,583		
00.03 Administrative expenses.....	80		
00.04 Interest expense, other lenders.....	1,979,747	2,013,473	2,108,263
00.91 Total operating expenses.....	2,443,923	2,483,373	2,595,163
Capital investment:			
01.01 Rural electrification.....	628,390	622,050	
01.02 Rural telephone.....	229,787	239,250	
01.03 Direct loans, FFB.....	174,710	933,075	
01.91 Total capital investment.....	1,032,887	1,794,375	
10.00 Total obligations.....	3,476,810	4,277,748	2,595,163

Financing:

	Offsetting collections from:			
11.00	Federal sources.....	— 20,000	— 327,675	
14.00	Non-Federal sources.....	— 4,050,514	— 5,126,073	— 3,301,763
	Redemption of debt:			
31.00	Repayment of FFB loans.....	838,425	2,259,000	274,000
31.00	Repurchase of CBO's.....			432,600
39.00	Budget authority.....	244,720	1,083,000	
	Budget authority:			
67.10	Authority to borrow (permanent, indefinite) (7 U.S.C. 934 and 12 U.S.C. 2281-96).....	244,720	1,083,000	
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	— 593,704	— 1,176,000	— 706,600
	Obligated balance, start of year:			
72.47	Authority to borrow.....	6,425,031	6,088,195	6,265,241
72.98	Fund balance.....	586	— 4,329	
	Obligated balance, end of year:			
74.47	Authority to borrow.....	— 6,088,195	— 6,265,241	— 4,776,241
74.98	Fund balance.....	4,329		
90.00	Outlays.....	— 251,954	— 1,357,375	782,400

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority.....	244,720	1,083,000	
Outlays.....	— 251,954	— 1,357,375	782,400
Proposed for later transmittal under proposed legislation:			
Budget authority.....			
Outlays.....			— 2,092,630
Total:			
Budget authority.....	244,720	1,083,000	
Outlays.....	— 251,954	— 1,357,375	— 1,310,230

Status of Direct Loans (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
12-4230-0-3-271			
Position with respect to appropriations act limitation on obligations:			
Limitation on direct loans:			
1111 Loans disbursed by REA ¹	1,222,415	861,300	
1111 FFB direct loans ²	933,075	933,075	
1112 Unobligated direct loan limitation.....	— 364,238		
1112 Unobligated direct loan limitation, FFB direct loans.....	— 758,365		
1150 Total direct loan obligations.....	1,032,887	1,794,375	
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year.....	34,989,053	34,322,648	33,205,748
1231 Disbursements: Direct loan disbursements.....	1,342,107	1,613,000	1,489,000
1251 Repayments: Repayments and prepayments.....	— 1,698,858	— 2,720,179	— 750,563
1264 Adjustments: Other adjustments, net ³	— 309,654	— 9,721	— 8,437
1290 Outstanding, end of year.....	34,322,648	33,205,748	33,935,748

¹ The enacted limitation in 1987 and 1988 is \$861,300 thousand. Fiscal year 1987 includes a \$361,115 thousand carryover from 1986; fiscal year 1988 excludes a \$364,238 thousand carryover from 1987.

² Loans that are guaranteed by REA and disbursed by the Federal Financing Bank are shown as FFB direct loans in this schedule. However, the limitation enacted or proposed to be enacted in appropriation acts applies to the guaranteed loan commitment made by REA.

³ Represents discount from face value on prepayment of loans and reclassified amounts for payments made on behalf of FFB direct loan borrowers.

Status of Guaranteed Loans ¹ (in thousands of dollars)

Identification code	1987 actual	1988 est.	1989 est.
12-4230-0-3-271			
Position with respect to appropriation act limitation on commitments:			
2111 Limitation on guaranteed loans by private lenders.....			
2131 Guaranteed loan commitments exempt from limitation.....	581,522	2,000,000	
2150 Total guaranteed loan commitments.....	581,522	2,000,000	

Public enterprise funds—Continued

[RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN AUTHORIZATIONS]—Continued

Status of Guaranteed Loans ¹ (in thousands of dollars)—Continued

Identification code	12-4230-0-3-271	1987 actual	1988 est.	1989 est.
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	1,029,934	1,433,585	3,418,585
2231	Disbursements: Disbursement of new guaranteed loans	601,522	2,000,000	.....
2251	Repayments: Repayments and prepayments	-197,871	-15,000	-15,000
2290	Outstanding, end of year	1,433,585	3,418,585	3,403,585

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year	1,433,585	3,418,585	3,403,585
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¹ Loans that are guaranteed by REA and disbursed by the Federal Financing Bank are shown in the REA status of direct loan schedule. Limitations enacted or proposed on these loans are as follows: 1987, \$933,075 thousand; and 1988, \$933,075 thousand.

² These disbursements of new guaranteed loans result from loan guarantee commitments in previous years.

STATUS OF AGENCY DEBT

(In thousands of dollars)

Agency Debt Held by FFB:	1987 actual	1988 est.	1989 est.
Outstanding FFB Direct, start of year	21,444,874	21,196,490	19,739,490
Outstanding CBO's, start of year	4,241,207	4,241,207	4,464,807
New agency borrowing, FFB Direct	590,041	803,000	729,000
New agency borrowing, CBO's	635,000	393,600	257,500
Repayments and prepayments, FFB Direct	-838,425	-2,260,000	-274,000
Repayments and prepayments, CBO's	-635,000	-170,000	-432,600
Outstanding FFB Direct, end of year	21,196,490	19,739,490	20,194,490
Outstanding CBO's, end of year	4,241,207	4,464,807	4,289,707

The Rural Electrification Administration conducts two loan programs: (1) The rural electrification program; and (2) the rural telephone program.

Direct electric and telephone loans from the Rural Electrification and Telephone Revolving Fund (RETRF) bear interest at a 5 percent rate. Some loans may be made at a lesser rate. RETRF loans must be repaid within a period not to exceed 35 years. REA also guarantees loans made directly by the Government through the Federal Financing Bank (FFB) at long-term Treasury rates plus 12.5 basis points or by other qualified lenders at rates agreed upon by the lender and the borrower.

Loans from the RETRF are financed from available receipts or, when necessary, by interim Treasury borrowings. Loans made from the RETRF are held in a pool as security for certificates of beneficial ownership (CBO's) which are sold to Treasury.

Rural electrification.—This loan program is financed through REA direct and guaranteed loans for the operation of generating plants, electric transmission, and distribution lines or systems. The change in the 1989 loan level from 1988 reflects the phase-out of the RETRF direct loan and 100 percent loan guarantee program by replacing it with a new partial REA loan guarantee program which allows for a 70 percent REA guarantee of principal and interest of privately originated electric distribution loans and 80 percent guarantee of power supply loans.

STATUS OF THE ELECTRIFICATION PROGRAM—ELECTRIFICATION LOAN LEVELS

(In thousands of dollars)

Loan level:	1987 actual	1988 est.	1989 est.
Direct loans	628,390	622,050	.....
FFB direct loans	174,710	813,450	.....
Subtotal, direct loans and loan guarantee commitments ..	803,100	1,435,500	.....
Non-REA without guarantee commitments	410,073	500,000	500,000
Total, electrification program	1,213,173	1,935,500	500,000

PROGRAM STATISTICS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Cumulative net loans	19,833,743	20,455,793	20,455,793
Cumulative funds advanced	18,282,355	18,889,355	19,434,355
Unadvanced funds, end of year	1,551,388	1,566,438	1,021,438
Cumulative principal repaid	6,793,211	7,193,430	7,605,633
Cumulative interest paid	5,552,937	6,023,024	6,513,611
Cumulative loan guarantee commitments	30,959,550	30,107,478	30,107,478
Cumulative consumers served—calendar year (thousands—estimated) ¹	11,633	11,742	11,832
Cumulative miles energized—calendar year (thousands—estimated) ¹	2,170	2,188	2,223
Number of borrowers	967	967	967

¹ Data represents accomplishments from all sources of funds.

Rural telephone.—This loan program is financed through REA direct and guaranteed loans for the construction, expansion, acquisition, and operation of telephone lines and facilities or systems. This program is also being replaced with a partial REA loan guarantee program which allows for a 70 percent REA guarantee of privately originated loans.

STATUS OF THE TELEPHONE PROGRAM—TELEPHONE LOAN LEVELS

(In thousands of dollars)

Loan level:	1987 actual	1988 est.	1989 est.
Direct loans	229,787	239,250	.....
FFB direct loans .....	.....	119,625	.....
Subtotal, direct loans and loan guarantee commitments ..	229,787	358,875	.....
RTB loans (account follows)	177,045	177,045	177,045
Total, telephone program	406,832	535,920	177,045

PROGRAM STATISTICS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Cumulative net loans	5,338,205	5,577,455	5,338,205
Cumulative funds advanced	4,489,982	4,692,982	4,704,982
Unadvanced funds, end of period	884,223	884,473	633,223
Cumulative principal repaid	1,472,636	1,543,317	1,545,433
Cumulative interest paid	1,183,244	1,279,557	1,283,757
Cumulative loan guarantee commitments ¹	667,340	786,965	786,965
Cumulative route miles of line constructed or improved—(thousands—estimated) ²	890	910	930
Cumulative dial subscribers, new and improved service—calendar year (thousands—estimated) ²	4,820	4,910	4,950
Number of borrowers	920	910	900

¹ FFB and other lenders.

² Data represents accomplishments from borrowers financed 20% or more by REA, RTB, and guaranteed loans.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Interest earned on loans to borrowers	2,583,607	2,579,873	2,699,363
Expense ¹	-2,968,791	-2,790,537	-2,902,327
Discount on prepayments	-299,015	.....	.....
Net operating income	-684,199	-210,664	-202,964

¹ Includes imputed Treasury costs paid without reimbursement in the following amounts: 1987, \$307,164 thousand; 1988, \$307,164 thousand; and 1989, \$307,164 thousand.

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Selected assets:				
Fund balance with Treasury	586	— 4,329		
Accounts receivable (net)	1,458,999	1,488,933	1,701,633	1,886,233
Loans receivable (net)	35,533,079	33,937,801	32,492,130	33,156,507
Other assets (net)	448,530	477,240	477,240	477,240
Total assets	37,441,194	35,899,645	34,671,003	35,519,980
Liabilities:				
Selected liabilities:				
Accounts payable to the public	457	112		
Long-term notes payable to Treasury	7,864,742	7,864,742	7,864,742	7,864,742
Other liabilities	28,116,868	25,438,156	23,508,403	23,788,303
Total liabilities	35,982,067	33,303,210	31,373,145	31,653,045
Government equity:				
Selected equities:				
Other revolving fund balances	1,459,127	2,596,635	3,297,858	3,866,935
Total Government equity	1,459,127	2,596,635	3,297,858	3,866,935

Object Classification (in thousands of dollars)

Identification code	12-4230-0-3-271	1987 actual	1988 est.	1989 est.
25.0	Other services	80		
33.0	Investments and loans	1,032,887	1,794,375	
43.0	Interest and dividends	2,443,843	2,483,373	2,595,163
99.9	Total obligations	3,476,810	4,277,748	2,595,163

[RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN
AUTHORIZATIONS]

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-4230-2-3-271	1987 actual	1988 est.	1989 est.
Financing:				
Offsetting collections from: Non-Federal sources				
14.00 Loan asset sales to public				— 971,788
Prepayments of direct loans:				
14.00 Non-FFB loans				— 151,842
14.00 FFB loans				— 997,000
14.00 Cushion of credit				28,000
Redemption of debt:				
31.00 Repayment of FFB loans				997,000
31.00 Repurchase of CBO's				1,095,630
39.00 Budget Authority				
Relation of obligations to outlays:				
71.00 Obligations incurred, net				— 2,092,630
90.00 Outlays				— 2,092,630

Legislation will be proposed to provide 80 percent REA guarantees of power supply loans and 70 percent guarantees of electric distribution and telephone loans made by the private sector. Direct loans would be phased out by the end of 1988. REA borrowers serving largely urban, suburban or recreational areas or affiliates of larger telephone holding companies will no longer be eligible for Rural Electrification and Telephone Revolving Fund loan assistance. Proposed legislation would permit the sale of rural electrification and telephone revolving fund loan assets. The proceeds would be used to repay Treasury loans.

Legislation will also be proposed to allow (1) REA borrowers to prepay their outstanding FFB and REA guaranteed FFB direct loans utilizing an 80 percent guarantee of a privately originated loan without paying the required premium, (2) REA borrowers to repay their

direct loans at a discount determined by the Administrator, provided that they become ineligible for any type of REA assistance in the future, (3) repeal Section 1403 Cushion of Credit Payments Program included in The Omnibus Budget Reconciliation Act of 1987, and (4) repeal Section 1402 Use of Funds included in the Omnibus Budget Reconciliation Act of 1987.

Status of Direct Loans (in thousands of dollars)

Identification code	12-4230-2-3-271	1987 actual	1988 est.	1989 est.
Cumulative balance of direct loans outstanding:				
Repayments:				
1251 Repayments and prepayments				— 151,842
1253 Proceeds from loan asset sales to the public ..				— 971,788
1264 Adjustments: Other adjustments, net ¹				— 726,370
1290 Outstanding, end of year				— 1,850,000

¹ Represents discount from face value on loan asset sales (\$628 million) and prepayment of loans (\$98 million).

Status of Guaranteed Loans (in thousands of dollars)

Position with respect to appropriation act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders ..			1,318,955
2150 Total guaranteed loan commitments			1,318,955
Cumulative balance of guaranteed loans outstanding:			
2231 Disbursements: Disbursements of new guaranteed loans ..			178,843
2290 Outstanding, end of year			178,843

MEMORANDUM

2299 U.S. contingent liability of guaranteed loans outstanding, end of year			127,190
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STATUS OF AGENCY DEBT

(In thousands of dollars)

Agency Debt Held by FFB:	1987 actual	1988 est.	1989 est.
Outstanding FFB Direct, start of year			
Outstanding CBO's, start of year			
New agency CBO's			— 257,500
Repayments and prepayments, FFB Direct			— 997,000
Repayments and prepayments, CBO's			— 838,130
Outstanding FFB Direct, end of year			— 997,000
Outstanding CBO's, end of year			— 1,095,630

Status of Guaranteed Loans (in thousands of dollars)

Identification code	12-4230-6-3-271	1987 actual	1988 est.	1989 est.
Position with respect to appropriation act limitation on commitments:				
2111 Limitation on guaranteed loans by private lenders				— 1,318,955
2150 Total guaranteed loan commitments				— 1,318,955
Cumulative balance of guaranteed loans outstanding:				
2231 Disbursements: Disbursements of new guaranteed loans ..				— 178,843
2290 Outstanding, end of year				— 178,843

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year			— 127,190
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This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general

Public enterprise funds—Continued

[RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN
AUTHORIZATIONS]—Continued

fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

RURAL TELEPHONE BANK

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out its authorized programs for the current fiscal year. During fiscal year [1988] 1989 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be not [less than \$177,045,000 nor] more than [\$210,540,000.] \$177,045,000. (Rural Development, Agriculture, and Related Agencies Appropriations Act 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-4231-0-3-452	1987 actual	1988 est.	1989 est.
Program by activities:				
Operating expenses:				
00.01	Administrative expenses.....	111	75	6,721
00.02	Interest expense.....	70,779	69,401	64,253
00.03	Dividends.....	147	251	251
00.91	Total operating expenses.....	71,037	69,727	71,225
01.01	Capital investment loans.....	185,115	177,045	177,045
10.00	Total obligations.....	256,152	246,772	248,270
Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-28,768	-28,767	-57
14.00	Non-Federal sources.....	-156,945	-366,515	-128,442
17.00	Recovery of prior year obligations.....	-15,507		
25.00	Unobligated balance lapsing.....	15,507		
27.00	Capital transfer to general fund.....	9,399	10,119	10,119
31.00	Redemption of debt.....		138,391	
67.10	Budget authority (authority to borrow) (permanent, indefinite) (7 U.S.C. 901-950(b)).....	79,838		129,890
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	70,439	-148,510	119,771
Obligated balance, start of year:				
72.47	Authority to borrow.....	655,162	719,493	719,494
72.98	Fund balance.....	29,715	82,030	152,776
Obligated balance, end of year:				
74.47	Authority to borrow.....	-719,493	-719,494	-849,276
74.98	Fund balance.....	-82,030	-152,776	-67,431
78.00	Adjustments in unexpired accounts.....	-15,507		
90.00	Outlays.....	-61,714	-219,257	75,334

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority.....	79,838		129,890
Outlays.....	-61,714	-219,257	75,334
Proposed for later transmittal under proposed legislation:			
Budget authority.....			-51,026
Outlays.....			-51,026
Credit reform:			
Budget authority.....			-78,864
Outlays.....			-10,623
Total:			
Budget authority.....	79,838		
Outlays.....	-61,714	-219,257	13,685

Status of Direct Loans (in thousands of dollars)

Identification code	12-4231-0-3-452	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans.....	185,115	177,045	177,045
1150	Total direct loan obligations.....	185,115	177,045	177,045
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year.....	1,433,934	1,446,602	1,301,763
1231	Disbursements: Direct loan disbursements.....	51,975	106,300	132,500
1251	Repayments: Repayments and prepayments.....	-39,307	-251,139	-19,521
1290	Outstanding, end of year.....	1,446,602	1,301,763	1,414,742

¹ Represents discount from face value on loan asset sales.

The Rural Telephone Bank (RTB) provides a second source of heavily subsidized financing for the REA telephone borrowers. The Bank charges an interest rate based on the average cost of money to the Bank, but not less than 5 percent per annum. The weighted average interest rate on cumulative loans through September 30, 1987, was 8.12 percent.

Equity capital of the Bank consists of class A stock purchased by the United States of \$506 million with a 2 percent dividend and classes B and C stock purchased by bank borrowers, organizations eligible to become borrowers and organizations controlled by borrowers. The Bank has borrowed \$759 million from the Treasury. The \$506 million in capital stock is heavily subsidized by the Federal Government.

Administrative support was provided without charge for the general operations of the Bank by REA employees and the Office of the General Counsel. Beginning in fiscal year 1989, the Bank will reimburse the REA Salaries and expenses for all administrative support provided to the RTB. Certain others incidental administrative expenses, such as expense of the elected members of the Board of Directors, postage fees and the audit by the General Accounting Office, are also paid by the Bank.

Bank loans totaled \$185 million in 1987. After almost 15 years in operation, loans to 605 borrowers have been approved, totaling over \$2.392 billion. Almost all Bank borrowers have the financial strength to borrow privately and a number of the borrowers are subsidiaries of large telephone holding companies with annual sales in the hundreds of millions of dollars. Furthermore, over 96 percent of rural areas now have telephone service available. The administration proposes that the Bank take the steps necessary to privatize, starting in 1989 including charging interest rates necessary to set aside \$30 million annually to repurchase the \$506 million of Class A stock at the end of 1995 and to pay the administrative costs of the Bank. Bank loans are \$177 million annually for 1989 through 1993. Borrowers will be permitted to prepay outstanding loans without premium starting in 1989 if they agree never to return to the RTB or REA for further financial assistance.

BUDGET AUTHORITY, OBLIGATIONS, AND BALANCES

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Budget authority:			
Appropriation for class A stock.....	28,710	28,710	
Borrowing authority (program and financing schedule).....	79,838		129,890
New budget authority.....			
	108,548	28,710	129,890
Other funds available.....			
	157,003	366,572	128,499

Less return on class A stock.....	9,399	10,119	10,119
Total budgetary resources.....	256,152	385,163	248,270
Obligations:			
Loans approved.....	185,115	177,045	177,045
Expenses and C stock dividends.....	71,037	69,727	71,225
Total.....	256,152	246,772	248,270

BORROWING AUTHORITY

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Available start of year.....	12,380,739	13,627,988	14,918,288
Increase ¹	1,311,580	1,290,300	539,260
Encumbered.....	—79,838		—129,890
Recovery of prior obligations.....	15,507		
Available end of year.....	13,627,988	14,918,288	15,327,658
¹ Computed in accordance with sec. 407 of the Rural Electrification Act of 1936 as amended:			
A stock.....	28,710	28,710	
B stock.....	17,040	35,805	26,963
C stock.....	47		
Retained earnings.....	19,782		
Total.....	65,579	64,515	26,963
Statutory borrowing authority rate.....	20	20	20
Maximum borrowing authority during year.....	1,311,580	1,290,300	539,260

Note.—Totals may not add due to rounding.

PROGRAM STATISTICS

(Dollars in thousands)

	1987 actual	1988 est.	1989 est.
Cumulative net loans.....	2,392,179	2,569,224	2,746,269
Cumulative loan funds, advanced.....	1,599,921	1,706,221	1,838,721
Unadvanced loan funds, end of year.....	792,258	863,003	907,548
Cumulative principal repaid.....	153,319	404,458	423,979
Cumulative interest paid.....	867,524	977,585	1,079,881
Number of borrowers.....	605	620	630

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Interest earned on loans to borrowers.....	113,642	110,061	102,296
Expenses.....	71,281	69,259	71,646
Net operating income.....	42,361	40,802	30,650
Nonoperating income:			
Interest earned on U.S. securities (net of discount less premium amortization).....	58	57	57
Net income for the year.....	42,419	40,859	30,707

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Selected assets:				
Fund balance with Treasury.....	28,782	81,226	151,971	66,626
U.S. securities.....	933	805	805	805
Accounts receivable (net).....	8,427	8,315	8,817	8,318
Loans receivable (net).....	1,429,031	1,441,307	1,296,686	1,408,885
Total assets.....	1,467,173	1,531,653	1,458,279	1,484,634
Liabilities:				
Selected liabilities:				
Accounts payable and other accrued liabilities.....	18,680	17,581	18,083	17,476
Debt issued under borrowing authority: Borrowing from Treasury.....	758,762	758,762	620,371	620,371
Total liabilities.....	777,442	776,343	638,454	637,847
Fund equity:				
Government equity:				
Selected equities:				
Undelivered orders: Undisbursed loans.....	674,624	792,257	863,002	907,547
Unfinanced budget authority: Undrawn authority to borrow.....	—655,162	—719,493	—719,494	—849,276

Invested capital.....	429,068	404,476	362,442	447,679
Total Government equity.....	448,530	477,240	505,950	505,950
Private equity:				
Class B stock.....	149,453	165,320	201,125	228,087
Class C stock.....	1,730	2,949	2,949	2,949
Retained earnings.....	90,018	109,801	109,801	109,801
Total private equity.....	241,201	278,070	313,875	340,837
Total equity.....	689,731	755,310	819,825	846,787

Object Classification (in thousands of dollars)

Identification code 12-4231-0-3-452	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent.....			4,479
11.3 Other than full-time permanent.....			32
11.5 Other personnel compensation.....			61
11.8 Special personal services payments.....	18	18	20
12.1 Civilian personnel benefits.....			724
13.0 Benefits for former personnel.....			2
21.0 Travel and transportation of persons.....	48	35	476
22.0 Transportation of things.....			17
23.3 Communications, utilities, and miscellaneous charges.....	5	5	208
24.0 Printing and reproduction.....	2	2	75
25.0 Other services.....	38	15	369
26.0 Supplies and materials.....			91
31.0 Equipment.....			167
33.0 Investments and loans.....	185,115	177,045	177,045
43.0 Interest and dividends.....	70,926	69,652	64,504
99.9 Total obligations.....	256,152	246,772	248,270

RURAL TELEPHONE BANK

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 12-4231-2-3-452	1987 actual	1988 est.	1989 est.
Program by activities:			
00.02 Operating expenses: Interest expense.....			—1,435
10.00 Total obligations.....			—1,435
Financing:			
14.00 Offsetting collections from: Non-Federal sources.....			—49,591
40.00 Budget authority (appropriation).....			—51,026
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			—51,026
74.47 Obligated balance, end of year.....			—49,276
74.98 Obligated balance, end of year: Fund balance.....			49,276
90.00 Outlays.....			—51,026

Status of Direct Loans (in thousands of dollars)

Identification code 12-4231-2-3-452	1987 actual	1988 est.	1989 est.
Cumulative balance of direct loans outstanding:			
1251 Repayments: Repayments and prepayments.....			—49,591
1290 Outstanding, end of year.....			—49,591

Legislation will be proposed to allow RTB borrowers to prepay their loans, without penalty, provided that the borrower will no longer be eligible for future REA/RTB lending assistance. The legislation will also include the repeal of Section 1412 interest rate to be considered for purposes of assessing eligibility for loans and Section 1413 Establishment of Reserve for losses due to Interest Rate Fluctuations and the disallowance of any other reserves included in Omnibus Budget Reconciliation Act of 1987. The combined effect of these provisions would be to severely impair privatization of the RTB in 1995.

Public enterprise funds—Continued

RURAL TELEPHONE BANK

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-4231-6-3-452	1987 actual	1988 est.	1989 est.
Program by activities:				
00.02	Operating expenses: Interest expense.....			-361
01.01	Capital investment: Loans			-177,045
10.00	Total obligations.....			-177,406
Financing:				
14.00	Offsetting collections from: Non-Federal sources.....			361
31.00	Redemption of debt.....			98,181
40.00	Budget authority (appropriation)			-78,864
Relation of obligations to outlays:				
71.00	Obligations incurred, net			-177,045
74.47	Obligated balance, end of year.....			80,614
74.98	Obligated balance, end of year: Fund balance.....			85,808
90.00	Outlays.....			-10,623

Status of Direct Loans (in thousands of dollars)

Identification code	12-4231-6-3-452	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans.....			-177,045
1150	Total direct loan obligations.....			-177,045
Cumulative balance of direct loans outstanding:				
1231	Disbursements: Direct loan disbursements.....			-10,623
1290	Outstanding, end of year.....			-10,623

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

Object Classification (in thousands of dollars)

Identification code	12-4231-6-3-452	1987 actual	1988 est.	1989 est.
33.0	Investments and loans.....			-177,045
43.0	Interest and dividends.....			-361
99.9	Total obligations.....			-177,406

FARMERS HOME ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921-2000), as amended; title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1490o); the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444), for administering the loan program authorized by title III A of the Economic Opportunity Act of 1964 (Public Law 88-452 approved August 20, 1964), as amended, and such other programs which the Farmers Home Administration has the responsibility for administering, [\$407,634,000] \$420,188,000, together with not more than \$3,000,000 of the charges collected in connection with the insurance of loans as

authorized by section 309(a) of the Consolidated Farm and Rural Development Act, as amended, and section 517(i) of the Housing Act of 1949, as amended, or in connection with charges made on borrowers under section 502(a) of the Housing Act of 1949, as amended: *Provided*, That, in addition, not to exceed \$1,000,000 of the funds available for the various programs administered by this agency may be transferred to this appropriation for temporary [field] employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), to meet unusual or heavy workload increases: *Provided further*, That not to exceed \$500,000 of this appropriation may be used for employment under 5 U.S.C. 3109: *Provided further*, That not to exceed \$2,675,000 of this appropriation shall be available for contracting with the National Rural Water Association or other equally qualified national organization for a circuit rider program to provide technical assistance for rural water systems: *Provided further*, That, in addition to any other authority that the Secretary may have to defer principal and interest and forego foreclosure, the Secretary may permit, at the request of the borrowers, the deferral of principal and interest on any outstanding loan made, insured, or held by the Secretary under this title, or under the provisions of any other law administered by the Farmers Home Administration, and may forego foreclosure of any such loan, for such period as the Secretary deems necessary upon a showing by the borrower that due to circumstances beyond the borrower's control, the borrower is temporarily unable to continue making payments of such principal and interest when due without unduly impairing the standard of living of the borrower. The Secretary may permit interest that accrues during the deferral period on any loan deferred under this section to bear no interest during or after such period: *Provided*, That, if the security instrument securing such loan is foreclosed, such interest as is included in the purchase price at such foreclosure shall become part of the principal and draw interest from the date of foreclosure at the rate prescribed by law].

[OFFICE OF THE ADMINISTRATOR]

[For necessary salaries and expenses of the Office of the Administrator of the Farmers Home Administration, \$600,000: *Provided*, That no other funds in this Act shall be available for this Office.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2001-0-1-452	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Direct program.....	393,289	411,634	424,188
00.02	Office of the Administrator		600	
01.01	Reimbursable program.....	444	735	735
10.00	Total obligations.....	393,733	412,969	424,923
Financing:				
11.00	Offsetting collections from: Federal funds.....	-1,444	-4,735	-4,735
25.00	Unobligated balance lapsing	2,256		
40.00	Budget authority (appropriation).....	394,545	408,234	420,188
Relation of obligations to outlays:				
71.00	Obligations incurred, net	392,289	408,234	420,188
72.40	Obligated balance, start of year.....	39,605	42,552	45,686
74.40	Obligated balance, end of year.....	-42,552	-45,686	-49,274
77.00	Adjustments in expired accounts.....	-5,462		
90.00	Outlays.....	383,880	405,100	416,600
Distribution of outlays by account:				
	Office of the Administrator		570	30
	Salaries and Expenses	383,880	404,530	416,570

These funds are used to administer the loan, guaranteed loan, and grant programs of the Farmers Home Administration. Activities include reviewing applications, servicing the loan portfolio and providing technical assistance and guidance to borrowers; and to assist in extending other Federal programs to people in rural areas.

In 1988, Congress separately funded the administrative costs for the Office of the Administrator. Separate

funding is eliminated in 1989 and the Administrator's costs once again are funded from the Salaries and expenses appropriation.

Object Classification (in thousands of dollars)

Identification code	12-2001-0-1-452	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	242,311	240,388	237,729
11.3	Other than full-time permanent	12,111	8,451	11,944
11.5	Other personnel compensation	3,600	3,773	4,567
11.9	Total personnel compensation	258,022	252,612	254,240
12.1	Civilian personnel benefits	40,037	53,191	54,310
13.0	Benefits for former personnel	530	438	490
21.0	Travel and transportation of persons	15,946	15,177	15,796
22.0	Transportation of things	1,614	1,930	2,007
23.2	Rental payments to others	13,445	15,392	17,163
23.3	Communications, utilities, and miscellaneous charges	31,387	31,464	34,895
24.0	Printing and reproduction	3,669	3,978	4,084
25.0	Other services	20,698	30,132	29,561
26.0	Supplies and materials	4,292	5,188	5,625
31.0	Equipment	3,455	2,533	5,849
42.0	Insurance claims and indemnities	184	188	158
43.0	Interest and dividends	10	11	10
99.0	Subtotal, direct obligations	393,289	412,234	424,188
99.0	Reimbursable obligations	444	735	735
99.9	Total obligations	393,733	412,969	424,923

Personnel Summary

Total number of full-time permanent positions	11,558	11,685	10,814
Total compensable workyears:			
Full-time equivalent employment	10,823	10,355	10,409
Full-time equivalent of overtime and holiday hours	85	100	95

RURAL WATER AND WASTE DISPOSAL GRANTS

For grants pursuant to sections 306(a)(2) and 306(a)(6) of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1926), **[\$109,395,000]** \$75,000,000, to remain available until expended, pursuant to section 306(d) of the above Act. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2066-0-1-452	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0)	117,663	112,278	75,000
Financing:				
17.00	Recovery of prior year obligations	-9,562		
21.40	Unobligated balance available, start of year	-1,590	-2,883	
24.40	Unobligated balance available, end of year	2,883		
40.00	Budget authority (appropriation)	109,395	109,395	75,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net	117,663	112,278	75,000
72.40	Obligated balance, start of year	409,485	360,510	310,167
74.40	Obligated balance, end of year	-360,510	-310,167	-245,059
78.00	Adjustments in unexpired accounts	-9,562		
90.00	Outlays	157,076	162,621	140,108

This grant program is authorized by subtitle A of the Consolidated Farm and Rural Development Act, as amended. Grants are authorized to be made to associations, including nonprofit corporations, public and quasi-public agencies, and certain Indian tribes to finance storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas. The amount of any development grant may not exceed 75 percent of the eligible development cost of the project.

The major objectives of the rural water and waste disposal grant program are: (1) to provide assistance to attain basic human amenities, (2) to alleviate health hazards, (3) to promote stability of rural areas by meeting the need for new and improved rural water and waste disposal systems, and (4) to meet national safe drinking water and clean water standards.

GRANT OBLIGATIONS

	1987 actual	1988 est.	1989 est.
Number of grants	319	290	190
Amount of grants (in thousands)	117,663	112,278	75,000

[RURAL COMMUNITY FIRE PROTECTION GRANTS]

[For grants pursuant to section 7 of the Cooperative Forestry Assistance Act of 1978 (Public Law 95-313), \$3,091,000 to fund up to 50 per centum of the cost of organizing, training, and equipping rural volunteer fire departments.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2067-0-1-452	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0)	3,069	3,091	
Financing:				
25.00	Unobligated balance lapsing	22		
40.00	Budget authority (appropriation)	3,091	3,091	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	3,069	3,091	
72.40	Obligated balance, start of year	1,851	2,299	2,347
74.40	Obligated balance, end of year	-2,299	-2,347	-593
77.00	Adjustments in expired accounts	-22		
90.00	Outlays	2,599	3,043	1,754

This assistance was authorized by section 7 of the Cooperative Forestry Assistance Act of 1978. Grants are made to public bodies to organize, train, and equip local firefighting forces, including those of Indian tribes or other native groups, to prevent, control, and suppress fires threatening human lives, crops, livestock, farmsteads or other improvements, pastures, orchards, wildlife, rangeland, woodland, and other resources in rural areas. In 1987, 3,232 grants were obligated for a total of \$3.069 million. It is anticipated that in 1988, 3,131 grants will be obligated for a total of \$3.091 million. No program is proposed for fiscal year 1989.

[RURAL HOUSING FOR DOMESTIC FARM LABOR]

[For financial assistance to eligible nonprofit organizations for housing for domestic farm labor, pursuant to section 516 of the Housing Act of 1949, as amended (42 U.S.C. 1486), \$9,513,000.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2004-0-1-604	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0)	7,582	11,748	
Financing:				
21.40	Unobligated balance available, start of year	-304	-2,234	
24.40	Unobligated balance available, end of year	2,234		
40.00	Budget authority (appropriation)	9,513	9,513	

General and special funds—Continued

[RURAL HOUSING FOR DOMESTIC FARM LABOR]—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-2004-0-1-604	1987 actual	1988 est.	1989 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net	7,582	11,748	.....
72.40	Obligated balance, start of year	27,581	26,315	26,768
74.40	Obligated balance, end of year	-26,315	-26,768	-16,107
90.00	Outlays	8,848	11,295	10,661

Rural housing for domestic farm labor.—This grant program is authorized under section 516 of the Housing Act of 1949, as amended. Grants are made to public and private nonprofit organizations for low-rent housing and related facilities for domestic farm labor. Grant assistance may not exceed 90 percent of the cost of a project, and may be used for construction of new structures, site acquisition and development, rehabilitation of existing structures, and purchase of furnishings and equipment for dwellings, dining halls, community rooms and infirmaries. No program is proposed for 1989. However, housing vouchers will be provided to continue meeting the specific needs of low income families in rural areas under the Rural Housing Voucher program.

GRANT OBLIGATIONS

	1987 actual	1988 est.	1989 est.
Number of grants	11	10	.....
Amount of grants (thousands of dollars)	7,582	11,748	.....

RURAL DEVELOPMENT INSURANCE FUND LOAN SUBSIDIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-2055-6-1-452	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Direct programs .....	.....	.....	40,860
00.02	Financial guarantees .....	.....	.....	871
10.00	Total obligations (object class 41.0) .....	.....	.....	41,731
Financing:				
40.00	Budget authority (appropriation) .....	.....	.....	41,731
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	.....	.....	41,731
74.40	Obligated balance, end of year .....	.....	.....	-39,923
90.00	Outlays .....	.....	.....	1,808

Status of Direct Loans (in thousands of dollars)

Identification code	12-2055-6-1-452	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans .....	.....	.....	300,000
1150	Total direct loan obligations .....	.....	.....	300,000
Cumulative balance of direct loans outstanding:				
1231	Disbursements: Direct loan disbursements .....	.....	.....	12,000
1290	Outstanding, end of year .....	.....	.....	12,000

Estimate of direct loan subsidy:

1320	Subsidy amount (in percent) .....	.....	13.6
1330	Subsidy amount (in thousands of dollars) .....	.....	40,860

Status of Guaranteed Loans (in thousands of dollars)

Identification code	12-2055-6-1-452	1987 actual	1988 est.	1989 est.
Position with respect to appropriation act limitation on commitments:				
2111	Limitation on guaranteed loans by private lenders .....	.....	.....	95,700
2150	Total guaranteed loan commitments .....	.....	.....	95,700
Cumulative balance of guaranteed loans outstanding:				
2231	Disbursements: Disbursement of new guaranteed loans .....	.....	.....	19,140
2290	Outstanding, end of year .....	.....	.....	19,140

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year	17,226
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Estimate of guaranteed loan subsidy:

2320	Subsidy amount (in percent)	0.9
2330	Subsidy amount (in thousands of dollars)	870

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations and guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

[MUTUAL AND SELF-HELP HOUSING]

[For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), \$8,000,000.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2006-0-1-604	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0)	8,398	13,760	.....
Financing:				
17.00	Recovery of prior year obligations	-527	-227	.....
21.40	Unobligated balance available, start of year	-5,404	-5,533	.....
24.40	Unobligated balance available, end of year	5,533	.....	.....
40.00	Budget authority (appropriation)	8,000	8,000	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net	8,398	13,760	.....
72.40	Obligated balance, start of year	11,739	13,191	19,063
74.40	Obligated balance, end of year	-13,191	-19,063	-11,313
78.00	Adjustments in unexpired accounts	-527	-227	.....
90.00	Outlays	6,419	7,661	7,750

This program is authorized under section 523 of the Housing Act of 1949, as amended. Grants and contracts are made for the purpose of providing technical and supervisory assistance to groups of families to enable them to build their own homes through the mutual exchange of labor. No program is proposed for fiscal year 1989. Housing vouchers will be provided to continue meeting the specific needs of low income families in rural areas under the Rural Housing Voucher program.

GRANT OBLIGATIONS

	1987 actual	1988 est.	1989 est.
Number of grants	42	67	.....
Amount of grants (thousands of dollars)	8,398	13,760	.....

【VERY LOW-INCOME HOUSING REPAIR GRANTS】

【For grants to the very low-income elderly for essential repairs to dwellings pursuant to section 504 of the Housing Act of 1949, as amended, \$12,500,000.】 (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2064-0-1-604	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0)	12,498	12,500	.....
Financing:				
25.00	Unobligated balance lapsing	2	.....	.....
40.00	Budget authority (appropriation)	12,500	12,500	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net	12,498	12,500	.....
72.40	Obligated balance, start of year	1,916	794	625
74.40	Obligated balance, end of year	-794	-625	.....
77.00	Adjustments in expired accounts	-371	.....	.....
90.00	Outlays	13,248	12,669	625

This program is authorized under section 504 of the Housing Act of 1949, as amended. This grant program enables very low-income elderly residents in rural areas to improve or modernize their dwelling; to make the dwelling safer or more sanitary; or to remove health and safety hazards. A grant or a combination of a grant and a low-interest loan from the Rural housing insurance fund may be made to an eligible recipient for the needed work. No program is proposed for 1989.

GRANT OBLIGATIONS

	1987 actual	1988 est.	1989 est.
Number of grants	3,623	3,552	.....
Amount of grants (thousands of dollars)	12,498	12,500	.....

RURAL 【RENTAL ASSISTANCE PAYMENTS】 HOUSING VOUCHER PROGRAM

For necessary expenses to operate a housing voucher program under section 8(o) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437(f)), to be administered by the Secretary of Agriculture, notwithstanding the limitations in section 8(o)(1) of such Act that the Secretary conduct a demonstration, and in section 8(o)(4) of such Act that the Secretary use substantially all authority in connection with certain programs, in connection with the rental rehabilitation program under Section 17 of such Act and for any other purposes as determined by the Secretary, \$381,600,000.

Program and Financing (in thousands of dollars)

Identification code	12-2002-0-1-604	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0) .....	.....	.....	381,600
Financing:				
40.00	Budget authority (appropriation) .....	.....	.....	381,600
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	.....	.....	381,600
72.40	Obligated balance, start of year	93,508	78,854	60,140
74.40	Obligated balance, end of year	-78,854	-60,140	-418,197
77.00	Adjustments in expired accounts	-155	.....	.....
90.00	Outlays	14,499	18,714	23,543

This is a new program proposed for implementation in fiscal year 1989. A demonstration rural housing voucher program has been proposed for funding under the Rural housing insurance fund in fiscal year 1989. Housing vouchers replace the rural rental assistance payments program which was authorized under section

521 of the Housing Act of 1949, as amended, and previously funded from this account. The objective of that program was to reduce rents paid by low-income families living in FmHA financed rental projects and farm labor housing projects. Under that program, low-income tenants contributed the higher of (1) 30 percent of monthly adjusted income, (2) 10 percent of monthly income, or (3) designated housing payment from a welfare agency. Payments were made to the project owner to make up the difference between the tenants' rent payments and the approved rental rates for the units.

Funding for the purpose of providing rental assistance for newly constructed units was provided in limited amounts in 1986, 1987, and 1988 under the Rural housing insurance fund. The Fund continues in fiscal year 1989 to finance existing rental assistance contracts.

In fiscal year 1989, a housing voucher program authorized under section 8(o) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437(f)), will be implemented under this fund. This program will support 21,200 units or families for a 5-year period.

The housing voucher program provides tenants the flexibility to choose housing to meet their needs and to determine the appropriate level of expenditure to be made for housing. Further, unlike the rental assistance program, the housing voucher goes with the tenant should he or she decide to move.

VOUCHER OBLIGATIONS

	1987 actual	1988 est.	1989 est.
Number of families	21,200
Amount of vouchers (thousands of dollars)	381,600

【COMPENSATION FOR CONSTRUCTION DEFECTS】

【For compensation for construction defects as authorized by section 509(c) of the Housing Act of 1949, as amended, \$713,000.】 (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2071-0-1-371	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0)	241	713	.....
Financing:				
25.00	Unobligated balance lapsing	472	.....	.....
40.00	Budget authority (appropriation)	713	713	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net	241	713	.....
77.00	Adjustments in expired accounts	34	.....	.....
90.00	Outlays	275	713	.....

This program is carried out under the provisions of section 509(c) of the Housing Act of 1949, as amended. The Secretary of Agriculture is authorized to make expenditures to correct structural defects, or to pay claims of owners arising from such defects on newly constructed dwellings purchased with FmHA financial assistance. Requests for compensation for construction defects must be made within 18 months after the date financial assistance was granted. No program is proposed for fiscal year 1989.

General and special funds—Continued

【COMPENSATION FOR CONSTRUCTION DEFECTS】—Continued

A summary of the activity for compensation for construction defects is as follows:

GRANT OBLIGATIONS

	1987 actual	1988 est.	1989 est.
Number of payments.....	78	226	.....
Amount of payments (thousands of dollars).....	241	713	.....

【RURAL HOUSING PRESERVATION GRANTS】

【For grants for rural housing preservation as authorized by section 552 of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181), \$19,140,000.】 (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2070-0-1-604	1987 actual	1988 est.	1989 est.
Program by activity:				
10.00	Total obligations (object class 41.0).....	19,140	19,140	.....
Financing:				
40.00	Budget authority (appropriation).....	19,140	19,140	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	19,140	19,140	.....
72.40	Obligated balance, start of year.....	19,140	28,108	29,182
74.40	Obligated balance, end of year.....	-28,108	-29,182	-8,805
90.00	Outlays.....	10,172	18,066	20,377

This grant program is authorized under section 533 of the Housing Act of 1949, as amended. Grants are made to eligible private nonprofit groups, Indian tribes, or government agencies for rehabilitation of single family housing owned by low- and very low-income families and the rehabilitation of rental and cooperative housing for low- and very low-income families. No program is proposed for fiscal year 1989.

A summary of the activity for housing preservation grants is as follows:

GRANT OBLIGATIONS

	1987 actual	1988 est.	1989 est.
Number of grants.....	155	152	.....
Amount of grants (thousands of dollars).....	19,140	19,140	.....

【RURAL DEVELOPMENT GRANTS】

【For grants authorized under section 310(B)(c) (7 U.S.C. 1932) to any qualified public or private nonprofit organization, \$6,500,000: *Provided*, That such funds shall be made available within six months of date of enactment and that a priority be given to applications from rural areas in economic distress or from organizations with previous experience in administering rural economic development programs: *Provided further*, That \$3,000,000 shall be available for planning and construction costs in connection with establishment of a rural industrialization technology center in Pontotoc County, Oklahoma.】 (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2065-0-1-452	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0).....	3,000	6,500	.....
Financing:				
40.00	Budget authority (appropriation).....	3,000	6,500	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	3,000	6,500	.....

72.40	Obligated balance, start of year.....	669	3,320	325
74.40	Obligated balance, end of year.....	-3,320	-325	.....
77.00	Adjustments in expired accounts.....	-223	.....	.....
90.00	Outlays.....	126	9,495	325

Rural Development Grants.—This assistance is authorized by section 310B(c) of the Consolidated Farm and Rural Development Act, as amended. Farmers Home Administration provides rural development grants to facilitate the development of business and industry. Grants are made to qualified public or private nonprofit organizations to assist in financing industrial sites in rural areas including the acquisition and development of land, and the construction, conversion, enlargement, repair or modernization of buildings, plants, equipment, access streets and roads. Grants may also be used for utility lines, parking areas, necessary water supply and waste disposal facilities, refinancing, services, and fees. Grants are limited to communities having populations of 50,000 or less with priority given to communities of less than 25,000.

No program is proposed for 1989.

	1987 actual	1988 est.	1989 est.
Rural development grants:			
Number of grants.....	1	36	.....
Amount of grants (thousands of dollars).....	3,000	6,500	.....

AGRICULTURAL CREDIT INSURANCE FUND LOAN SUBSIDIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-1140-6-1-351	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct programs:				
00.01	Operating loans.....	.....	.....	55,810
00.02	Disaster loans.....	.....	.....	18,880
00.03	Financial guarantees: Real estate loans.....	.....	.....	79
10.00	Total obligations (object class 41.0).....	.....	.....	74,769
Financing:				
40.00	Budget authority (appropriation).....	.....	.....	74,769
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	.....	.....	74,769
74.40	Obligated balance, end of year.....	.....	.....	-3,779
90.00	Outlays.....	.....	.....	70,990

Status of Direct Loans (in thousands of dollars)

Identification code	12-1140-6-1-351	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on obligations:				
Limitation on direct loans:				
1111	Operating loans.....	.....	.....	500,000
1111	Disaster loans.....	.....	.....	100,000
1150	Total direct loan obligations.....	.....	.....	600,000
Cumulative balance of direct loans outstanding:				
1231	Disbursements: Direct loan disbursements.....	.....	.....	570,000
1290	Outstanding, end of year.....	.....	.....	570,000
Estimate of direct loan subsidy:				
Subsidy amount (in percent):				
1320	Operating loans.....	.....	.....	11.2
1320	Disaster loans.....	.....	.....	18.9

1330	Subsidy amount (in thousands of dollars)	74,690
Status of Guaranteed Loans (in thousands of dollars)		
Position with respect to appropriations act limitation on commitments:		
Limitation on guaranteed loans by private lenders:		
2111	Real estate loans	100,000
2111	Operating loans	3,500,000
2150	Total guaranteed loan commitments	3,600,000
Cumulative balance of guaranteed loans outstanding:		
2231	Disbursements: Disbursements of new guaranteed loans	1,615,000
2290	Outstanding, end of year	1,615,000
MEMORANDUM		
2299	U.S. contingent liability for guaranteed loans outstanding, end of year	1,453,500
Estimate of guaranteed loan subsidy:		
2320	Subsidy amount (in percent)	0.8
2330	Subsidy amount (in thousands of dollars)	79

This schedule shows the effects of the Administration's credit reform proposal. The amounts in this schedule reflect the estimated grant-equivalent subsidy for Federal direct loan obligations and guaranteed loan commitments made by this program. An explanation of the proposal is included in Part 6b of the Budget.

Public enterprise funds:**AGRICULTURAL CREDIT INSURANCE FUND****(INCLUDING TRANSFERS OF FUNDS)**

For direct and guaranteed loans as authorized by 7 U.S.C. 1928-1929, to be available from funds in the Agricultural Credit Insurance Fund, as follows: [farm ownership loans, \$505,000,000, of which \$390,000,000 shall be guaranteed loans; \$14,000,000 for water development, use, and conservation loans, of which \$3,000,000 shall be guaranteed loans] *guaranteed farm ownership loans, \$100,000,000; operating loans, [\$3,300,000,000] \$4,000,000,000, of which [\$2,400,000,000] \$3,500,000,000 shall be guaranteed loans; [Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, \$2,000,000;] and for emergency insured and guaranteed loans, [\$600,000,000] \$100,000,000 to meet the needs resulting from natural disasters[, of which \$12,000,000 shall be transferred to the Commodity Credit Corporation for payments to be made to cover the difference between the partial payment and the amount of the full claim under provisions of the Farm Disaster Assistance Act of 1987 (Public Law 100-45): *Provided*, That notwithstanding any provision of law the Secretary shall execute and deliver a quit claim deed to Tennessee State University for approximately ninety acres obtained by foreclosure and recorded in book 233, page 56 of the register of deeds of Warren County, Tennessee].*

For an additional amount to reimburse the Agricultural Credit Insurance Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1988(a)), [\$3,627,153,000] \$3,467,596,000. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-4140-0-3-351	1987 actual	1988 est.	1989 est.
Program by activities:				
Capital investment:				
00.01	Loans obligated	1,493,241	1,137,156	600,000
Loans made:				
00.02	Payment of delinquent installments	352	325	300
00.03	Advances on behalf of borrowers	97,341	75,000	50,000
00.04	Purchase of loans from investors	6,220	17,413	1,170
00.05	Interest on loans purchased from investors	401	1,273	85
00.06	Collateral acquired by default	22,707	20,200	18,300
00.07	Disbursement of loan repayments to investors	8,805	7,900	7,000

00.08	Purchase of guaranteed loans from investors	8,529	10,600	13,100
00.09	Interest on guaranteed loans purchased from investors	1,473	2,000	2,500
00.11	Other capital investment	-22		
00.91	Total capital investment	1,639,048	1,271,867	692,455
Operating expenses:				
01.01	Administrative expense	61,276	89,930	55,238
01.01	Interest on FFB borrowings	3,509,691	3,470,384	3,249,599
01.02	Interest on certificates of beneficial ownership	29,822	29,124	15,510
01.03	Premium interest for investors	1,754	1,050	450
01.04	Interest on participation certificates	11,133	6,243	
01.05	Interest expense on withheld collections	3,720	5,000	9,000
01.06	Interest on Treasury borrowings	717,319	795,000	745,000
01.07	Loss settlement expense on guaranteed loans	79,822	112,600	173,075
01.08	Unfilled orders	5,962	2,400	3,600
01.09	Other expense	10,674	7,894	75
01.10	Interest buy-down expense	22,049	100,000	100,000
01.91	Total operating expenses	4,453,222	4,619,625	4,351,547
10.00	Total obligations	6,092,269	5,891,492	5,044,002
Financing:				
Offsetting collections from:				
11.00	Federal sources: Investment income from participation sales fund	-21,631	-12,212	
Non-Federal sources:				
14.00	Repayments on loans held by the fund	-2,379,691	-2,450,000	-2,300,000
14.00	Loan repayments received on behalf of investors	-8,805	-7,900	-7,000
14.00	Repayments on advances	-15,056	-20,000	-25,000
14.00	Repayment on guaranteed loans purchased from investors	-2,862	-3,900	-4,900
14.00	Proceeds from sale of acquired property and chattels	-72,078	-82,500	-92,500
14.00	Payments on judgements	-589	-550	-500
14.00	Insurance premiums	-44	-40	-35
14.00	Guarantee fees	-10,614	-23,700	-28,800
14.00	Interest revenue	-1,032,186	-1,085,163	-1,178,295
14.00	Fees and other revenue	-17,123	-10,995	-9,995
22.98	Unobligated balance transferred, net: Fund balance		-145,506	
Redemption of debt:				
31.00	FFB	385,000	385,000	3,960,000
31.00	Public CBO's	16,635	68,336	263,021
31.00	GNMA		178,310	
32.47	Balance of authority to borrow withdrawn		934,481	
39.00	Budget authority	2,933,223	3,615,153	5,619,998
Budget authority:				
Current:				
40.00	Appropriation	1,723,403	3,627,153	3,467,596
41.00	Transferred to other accounts	-400,000	-12,000	
43.00	Appropriation (adjusted)	1,323,403	3,615,153	3,467,596
67.10	Authority to borrow (7 U.S.C. 1929(c)) (permanent, indefinite)	1,609,820		2,152,402
Relation of obligations to outlays:				
71.00	Obligations incurred, net	2,531,588	2,194,532	1,396,977
72.10	Receivables in excess of obligations, start of year			-699,033
Obligated balance, start of year:				
72.47	Authority to borrow	2,327,352	1,162,588	
72.98	Fund balance	15,077	1,079,770	3,012,405
74.10	Receivables in excess of obligations, end of year		699,033	
Obligated balance, end of year:				
74.47	Authority to borrow	-1,162,588		-901,848
74.98	Fund balance	-1,079,770	-3,012,405	-984,824
77.00	Adjustments in expired accounts	-67,949		
90.00	Outlays	2,563,710	2,123,518	1,823,677

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority	2,933,223	3,615,153	5,619,998
Outlays	2,563,710	2,123,518	1,823,677
Credit reform:			
Budget authority			-598,300

Public enterprise funds—Continued

AGRICULTURAL CREDIT INSURANCE FUND—Continued
(INCLUDING TRANSFERS OF FUNDS)—Continued

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS—Continued

[In thousands of dollars]

Outlays.....			-568,300
Total:			
Budget authority.....	2,933,223	3,615,153	5,021,698
Outlays.....	2,563,710	2,123,518	1,255,377

Status of Direct Loans (in thousands of dollars)

Identification code	12-4140-0-3-351	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on obligations:				
Limitation on direct loans:				
1111	Real estate loans.....	77,000	117,000	
1111	Soil and water loans.....	11,000	11,000	
1111	Operating loans.....	1,425,000	900,000	500,000
1111	Transferred from Soil Conservation Service.....	9,156	9,156	
1111	Disaster loans.....	295,000	588,000	100,000
1112	Unobligated direct loan limitation.....	-323,915	-488,000	
1150	Total direct loan obligations.....	1,493,241	1,137,156	600,000
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year.....	29,070,440	27,599,712	25,329,317
Disbursements:				
1231	Direct loan disbursements.....	1,506,422	1,176,967	639,251
1233	Purchase of loan assets from the public.....	6,347	17,413	1,170
1251	Repayments: Repayments and prepayments.....	-2,394,747	-2,470,000	-2,325,000
Adjustments:				
1261	Capitalized interest.....	276,498	225,000	175,000
1262	Write-offs for default.....	-865,248	-1,219,775	-662,800
1290	Outstanding, end of year.....	27,599,712	25,329,317	23,156,938
Estimate of direct loan subsidy:				
Subsidy amount (in percent):				
1320	Ownership loans.....		39.3	
1320	Operating loans.....		11.1	11.2
1320	Disaster loans.....		19.3	18.9
1320	Soil and water loans.....		19.0	
1320	Indian loans.....		22.8	
1320	Soil conservation loans.....		16.2	
1330	Subsidy amount (in thousands of dollars).....		262,440	74,690

Status of Guaranteed Loans (in thousands of dollars)

Identification code	12-4140-0-3-351	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on commitments:				
Limitation on guaranteed loans made by private lenders:				
2111	Real estate loans.....	325,000	640,000	100,000
2111	Soil and water loans.....	3,000	3,000	
2111	Operating loans.....	2,170,000	2,150,000	3,500,000
2112	Uncommitted limitation.....	-932,508		
2150	Total guaranteed loan commitments.....	1,565,492	2,793,000	3,600,000
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year.....	1,788,176	2,488,240	3,833,720
2231	Disbursements: Disbursements of new guaranteed loans...	1,216,397	2,073,593	2,936,477
2251	Repayments: Repayments and prepayments.....	-420,832	-585,600	-775,400
Adjustments:				
2262	Terminations for default that result in acquisition of property.....	-116	-100	-100
2263	Terminations for default that result in claim payments.....	-89,704	-126,000	-190,000
2264	Other adjustments, net ¹	-5,681	-16,413	830
2290	Outstanding, end of year.....	2,488,240	3,833,720	5,805,527

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	2,165,224	3,373,345	5,139,504
Estimate of guaranteed loan subsidy:				
Subsidy amount (in percent):				
2320	Real estate loans.....		0.8	0.8

2320	Operating loans.....	1.0	
Subsidy amount (in thousands of dollars):			
2330	Subsidy amount (in thousands of dollars).....	4,960	79

¹ Amounts shown are based on assumption agreements, repurchases of loans and CBO's from investors, and other.

The Agricultural Credit Insurance Fund and its associated loan programs are authorized by title III of the consolidated Farm and Rural Development Act, as amended.

The Agricultural Credit Insurance Fund is used to insure or guarantee farm ownership, soil and water, farm operating, and emergency loans to individuals. Associations, Indian tribes and tribal corporations are eligible for the following types of loans: Indian land acquisition, watershed protection, flood prevention, and resource conservation and development.

The 1989 budget proposes to maintain approximately a \$4.2 billion program level each year. Funding is proposed to be limited to farm ownership, farm operating and emergency disaster loans. By 1992, all farm operating loans will be provided on a guaranteed basis.

The following table shows the 1987 actual and estimated 1988 and 1989 number of loans and program levels. The guaranteed program levels reflect the full principal amount of the loan of which part is guaranteed by the U.S. Government.

LOAN OBLIGATIONS

[In millions of dollars]

	1987 actual		1988 estimate		1989 estimate	
	Number	Amount	Number	Amount	Number	Amount
Agricultural credit insurance fund:						
Insured farm ownership loans.....	896	\$75.0	1,350	\$115.0		
Guaranteed farm ownership loans..	2,137	324.4	4,150	640.0	650	\$100
Insured farm operating loans.....	32,096	1,298.3	21,800	900.0	11,900	500
Guaranteed farm operating loans...	13,614	1,240.7	23,200	2,150.0	38,400	3,500
Emergency disaster loans.....	2,548	113.6	13,000	588.0	2,150	100
Insured soil and water loans.....	231	4.2	300	11.0		
Guaranteed soil and water loans...	3	.3	5	3.0		
Indian tribe land acquisition loans..	1	2.0	2	2.0		
Watershed protection and flood prevention loans.....	1	.1	2	8.0		
Resource conservation and development loans.....			2	1.2		
Total, Agricultural credit insurance fund.....	51,527	3,058.7	63,811	4,418.2	53,100	4,200

The new obligational authority required for "Insufficiencies" is computed as follows (in thousands of dollars):

	1987 actual	1988 est.	1989 est.
Interest accrued on participation certificates.....	11,133	6,243	
Amortized discount on participation certificates.....	5	2	
Interest accrued on an equal amount of loans in the pool.....	-625	-350	
Insufficiency.....	10,513	5,895	
Financed by:			
Investment income from:			
Participation sales trust fund.....	-21,631	-12,212	
Retained earnings reserved to meet insufficiencies.....	11,118	6,317	
New obligational authority required.....			

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (-):			
Revenue.....	2,124,052	2,182,442	2,244,135
Expense.....	-17,689,463	-7,608,097	-6,538,360
Net operating loss.....	-15,565,411	-5,425,655	-4,294,225

Nonoperating income or loss (—):

Proceeds from sale of acquired property and chattels:

Cash.....	84,466	82,600	92,500
Loans receivable.....	73,689	90,000	100,000
Total proceeds from sale.....	158,156	172,600	192,500
Net book value of assets sold.....	—341,276	—400,100	—471,000
Net nonoperating loss.....	—183,120	—227,500	—278,500
Net loss for the year.....	—15,748,532	—5,653,155	—4,572,725

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Fund balance with Treasury.....	15,077	1,079,770	2,561,805	496,824
Accounts receivable (net).....	4,169,659	1,271,768	1,247,300	1,324,449
Loans receivable (net).....	23,572,628	15,437,880	14,186,104	13,004,716
Other assets (net):				
Judgments.....	4,666	6,402	8,515	11,140
Deferred charges and unamortized discount on participation certificates and loans sold.....	14	4	—2	—6
Acquired Security (net).....	839,872	783,596	717,846	695,196
Guaranteed loans purchased from holders.....	11,533	14,367	17,666	21,816
Total assets.....	28,613,449	18,593,786	18,739,234	15,554,135
Liabilities:				
Accounts payable.....	32,203	35,212	119,808	182,602
Interest payable.....	1,630,611	1,630,202	1,646,576	1,457,774
Unearned revenue (advances).....	162,500	168,091	168,399	170,009
Debt issued under borrowing authority:				
Borrowings from Treasury.....	8,065,500	10,755,500	11,581,500	11,870,000
Borrowings from FFB.....	28,395,000	28,010,000	27,625,000	23,665,000
Borrowings from Public.....		355,762	287,426	24,405
Participation certificates outstanding (net).....	24,188	24,188		
Other liabilities: Provision for potential losses on loans sold or guaranteed..	107,617	656,342	1,050,739	1,606,238
Total liabilities.....	38,417,619	41,635,298	42,479,448	38,976,028
Government equity:				
Revolving fund balance.....	—9,804,171	—23,041,512	—23,740,214	—23,421,893
Total Government equity.....	—9,804,171	—23,041,512	—23,740,214	—23,421,893

Note.—This statement excludes unfunded contingent liabilities under insurance programs in principal amounts in 1986, \$1,560,626 thousand; 1987, \$2,165,224 thousand; 1988, \$3,373,345 thousand and 1989, \$5,139,504 thousand.

Object Classification (in thousands of dollars)

Identification code 12-4140-0-3-351	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent.....	27,150	44,229	27,009
11.3 Other than full-time permanent.....	7,658	11,800	7,201
11.5 Other personnel compensation.....	2,440	3,177	1,938
11.9 Total personnel compensation.....	37,248	59,206	36,148
12.1 Civilian personnel benefits.....	5,409	10,926	6,630
13.0 Benefits for former personnel.....		142	120
21.0 Travel and transportation of persons.....	2,323	3,566	2,140
22.0 Transportation of things.....	268	250	150
23.1 Rental payments to GSA.....	440	501	521
23.2 Rental payments to others.....	1,541	2,491	1,333
23.3 Communications, utilities, and miscellaneous charges.....	3,643	5,223	3,066
24.0 Printing and reproduction.....	805	739	440
25.0 Other services.....	97,586	124,026	174,315
26.0 Supplies and materials.....	411	754	450
33.0 Investments and loans.....	1,634,330	1,263,094	686,470
43.0 Interest and dividends.....	4,288,327	4,406,431	4,125,219
43.0 Interest on participation certificates.....	11,133	6,243	
44.0 Refunds.....	8,805	7,900	7,000
99.9 Total obligations.....	6,092,269	5,891,492	5,044,002

Personnel Summary

Total number of full-time permanent positions.....	8	8	8
Total compensable workyears:			
Full-time equivalent employment.....	1,739	2,635	1,625
Full-time equivalent of overtime and holiday hours.....	56	75	65

AGRICULTURAL CREDIT INSURANCE FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 12-4140-6-3-351	1987 actual	1988 est.	1989 est.
Program by activities:			
00.01 Capital investment: Loans obligated.....			—600,000
01.06 Interest on Treasury borrowings.....			—27,100
10.00 Total obligations.....			—627,100
Financing:			
14.00 Offsetting collections from: Non-Federal sources: Guarantee fees.....			28,800
47.10 Authority to borrow (substantive law).....			—598,300
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			—598,300
74.47 Obligated balance, end of year.....			30,000
90.00 Outlays.....			—568,300

Status of Direct Loans (in thousands of dollars)

Identification code 12-4140-6-3-351	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on obligations:			
Limitation on obligation:			
1111 Operating loans.....			—500,000
1111 Disaster loans.....			—100,000
1150 Total direct loan obligations.....			—600,000
Cumulative balance of direct loans outstanding:			
1231 Disbursements: Direct loan disbursements.....			—570,000
1290 Outstanding, end of year.....			—570,000
Estimate of direct loan subsidy:			
Subsidy amount (in percent):			
1320 Operating loans.....			11.2
1320 Disaster loans.....			18.9
1330 Subsidy amount (in thousands of dollars).....			74,690

Status of Guaranteed Loans (in thousands of dollars)

Identification code 12-4140-6-3-351	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on commitments:			
Limitation on guaranteed loans by private lenders:			
2111 Real estate loans.....			—100,000
2111 Operating loans.....			—3,500,000
2150 Total guaranteed loan commitments.....			—3,600,000
Cumulative balance of guaranteed loans outstanding:			
2231 Disbursements: Disbursements of new guaranteed loans.....			—1,615,000
2290 Outstanding, end of year.....			—1,615,000
MEMORANDUM			
2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....			—1,453,500

Public enterprise funds—Continued

AGRICULTURAL CREDIT INSURANCE FUND—Continued

Status of Guaranteed Loans (in thousands of dollars)—Continued

Identification code	12-4140-6-3-351	1987 actual	1988 est.	1989 est.
Estimate of guaranteed loan subsidy:				
Subsidy amount (in percent):				
2320	Real estate loans		0.8	0.8
2320	Operating loans		1.0	
2330	Subsidy amount (in thousands of dollars)	4,960		79

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

Object Classification (in thousands of dollars)

Identification code	12-4140-6-3-351	1987 actual	1988 est.	1989 est.
33.0	Investments and loans			—600,000
43.0	Interest and dividends			—27,100
99.9	Total obligations			—627,100

[SELF-HELP HOUSING LAND DEVELOPMENT FUND]

For direct loans pursuant to section 523(b)(1)(B) of the Housing Act of 1949, as amended (42 U.S.C. 1490c), \$500,000 shall be available from funds in the Self-Help Housing Land Development Fund. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-4222-0-3-371	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 33.0)	500	500	
Financing:				
14.00	Offsetting collections from: Non-Federal sources	—135	—421	—796
21.98	Unobligated balance available, start of year: Fund balance	—2,961	—2,596	—2,517
24.98	Unobligated balance available, end of year: Fund balance	2,596	2,517	3,313
39.00	Budget authority			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	365	79	—796
72.10	Receivables in excess of obligations, start of year	—8	—2	—23
72.98	Obligated balance, start of year: Fund balance	1,595	1,532	1,115
74.10	Receivables in excess of obligations, end of year	2	23	32
74.98	Obligated balance, end of year: Fund balance	—1,532	—1,115	—575
90.00	Outlays	422	517	—247

Status of Direct Loans (in thousands of dollars)

Identification code	12-4222-0-3-371	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans	500	500	
1150	Total direct loan obligations	500	500	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	300	736	1,263
1231	Disbursements: Direct loan disbursements	563	917	540
1251	Repayments: Repayments and prepayments	—127	—390	—770
1290	Outstanding, end of year	736	1,263	1,033

The Self-help housing land development fund is authorized under section 523(b)(1)(B) of the Housing Act of

1949, as amended. The fund provides qualified public or private nonprofit organizations with financing for the acquisition and development of building sites for homes to be constructed by the self-help method. No program level is proposed for fiscal year 1989.

LOAN OBLIGATIONS

	1987 actual	1988 est.	1989 est.
Number of loans	2	2	
Amount of loans (thousands of dollars)	500	500	

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Revenue	8	31	26
Expense	—1,903	—2,040	—2,203
Net loss for the year	—1,895	—2,009	—2,007

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Fund balance with Treasury	4,548	4,126	3,609	3,856
Accounts receivable (net)	8	2	23	32
Loans receivable (net)	300	736	1,263	1,033
Real property (acquired)	455	455	455	455
Total assets	5,311	5,319	5,350	5,376
Liabilities:				
Total liabilities				
Equity:				
Revolving fund balance	5,311	5,319	5,350	5,376
Total equity	5,311	5,319	5,350	5,376

RURAL HOUSING INSURANCE FUND

From funds in the Rural Housing Insurance Fund, and for insured loans as authorized by title V of the Housing Act of 1949, as amended, \$1,844,990,000, of which not less than \$1,794,420,000 shall be for subsidized interest loans to low-income borrowers, as determined by the Secretary, and for subsequent loans to existing borrowers or to purchasers under assumption agreements or credit sales; and not to exceed \$10,000,000 to enter into collection and servicing contracts pursuant to the provisions of section 3(f)(3) of the Federal Claims Act of 1966 (31 U.S.C. 3718).

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) of the Housing Act of 1949, as amended, total new obligations shall not exceed \$275,310,000, to be added to and merged with the authority provided for this purpose in prior fiscal years: *Provided*, That of this amount not to exceed \$109,918,000 is available for newly constructed units financed by section 515 of the Housing Act of 1949, as amended, and not less than \$5,082,000 is for newly constructed units financed under sections 514 and 516 of the Housing Act of 1949: *Provided further*, That \$160,310,000 is available for expiring agreements and for servicing of existing units without agreements: *Provided further*, That agreements entered into or renewed during fiscal year 1988 shall be funded for a five-year period, although the life of any such agreement may be extended to fully utilize amounts obligated: *Provided further*, That agreements entered into or renewed during fiscal years 1984, 1985, 1986, and 1987, may also be extended beyond five years to fully utilize amounts obligated.

For an additional amount to reimburse the Rural Housing Insurance Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of title V of the Housing Act of 1949, as amended (42 U.S.C. 1483, 1487(e), and 1490a(c)), including \$2,185,000 \$1,381,000 as authorized by section 521(c) of the Act; \$2,964,249,000 \$3,660,061,000. For an additional amount as authorized by section 521(c) of the Act such sums as may be necessary to reimburse the fund to carry out a rental assistance program under section 521(a)(2) of the Housing Act of 1949, as

amended. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-4141-0-3-371	1987 actual	1988 est.	1989 est.
Program by activities:				
Capital investment:				
00.01	Loans obligated.....	1,715,558	1,714,490	.....
Loans made:				
00.02	Payment of delinquent installments.....	142	180	100
00.03	Advances on behalf of borrowers.....	40,582	36,000	32,400
00.04	Purchase of loans from investors.....	3,484	143,400	800
00.05	Interest on loans purchased from investors.....	198	.....	.....
00.06	Collateral acquired by default.....	73,086	69,000	65,000
00.07	Judgments.....	388	.....	.....
00.08	Disbursement of loan repayments to investors.....	29,080	10,000	2,000
00.09	Purchase of guaranteed loans from investors.....	813	.....	.....
00.10	Interest on guaranteed loans from investors.....	88	.....	.....
00.91	Total capital investment.....	1,863,419	1,973,070	100,300
Operating expenses:				
01.01	Administrative expense.....	14,887	53,500	17,000
01.02	Interest on certificates of beneficial ownership.....	35,027	30,373	25,743
01.02	Interest on FFB borrowings.....	3,566,164	3,384,271	3,286,924
01.03	Premium interest for investors.....	1,282	600	300
01.04	Interest on participation certificates.....	5,013	2,811	.....
01.05	Interest expense on withheld collections.....	2,327	500	300
01.06	Interest on Treasury borrowings.....	276,572	343,400	268,000
01.07	Interest supplements.....	642	400	170
01.08	Interest credits on loans sold to investors.....	.....	1,629	3,194
01.09	Rental assistance payments.....	275,305	275,310	.....
01.10	Loss settlement expense on guaranteed loans.....	258	.....	.....
01.11	Other expenses.....	13,517	12,000	11,000
01.12	CBO prepayment of interest.....	.....	88,607	.....
01.13	Rural housing voucher program.....	.....	130,500	133,000
01.91	Total operating expenses.....	4,190,994	4,235,294	3,834,238
10.00	Total obligations.....	6,054,413	6,208,364	3,934,538
Financing:				
Offsetting collections from:				
11.00	Federal funds: Investment income from participations sales fund.....	-9,280	-5,239	.....
Non-Federal sources:				
14.00	Repayments on loans held by the fund.....	-1,807,905	-1,470,000	-1,431,000
14.00	Loan repayments received on behalf of investors.....	-29,080	-10,000	-2,000
14.00	Repayments on advances.....	-16,993	-17,600	-19,100
14.00	Sale of loans.....	-19,682	-8,000	-2,000
14.00	Proceeds from sale of acquired property.....	-87,095	-89,000	-95,000
14.00	Payments on judgments.....	-3,575	-5,000	-6,000
14.00	Insurance premiums.....	-48	-40	-40
14.00	Guarantee fees.....	-13	.....	.....
14.00	Interest revenue.....	-1,342,901	-1,199,400	-1,191,000
14.00	Principal attributed to subsidy recoveries.....	-21,940	-25,000	-32,500
14.00	Subsidy recoveries.....	-25,114	-24,000	-32,000
14.00	Fees and other revenue.....	-2,848	-3,500	-3,500
14.00	Repayments on guaranteed loans purchased from investors.....	-161	.....	.....
14.00	Sale of loans without recourse.....	-1,729,201	.....	-870,000
14.00	Income and return of investment on subordinated securities and residual interest from loan asset sales.....	.....	-25,700	-25,500
14.00	Return of investment in protective advance fund, loan asset sales.....	.....	-750	-750
14.00	CBO prepayment discount from FFB.....	.....	-107,945	.....
14.00	Subservicers fees.....	.....	-17,500	-12,000
22.98	Unobligated balance transferred, net: Fund balance.....	.....	-80,287	.....
Redemption of debt:				
31.00	FFB.....	150,000	2,980,000	1,725,000
31.00	Public CBO's.....	10,772	158,867	182,389
31.00	GNMA.....	.....	80,287	.....
32.47	Balance of authority to borrow withdrawn.....	1,314,273	.....	1,744,952
39.00	Budget authority.....	2,433,624	6,338,557	3,864,489
Budget authority:				
Current:				
40.00	Appropriation.....	2,296,283	2,964,249	3,660,061

40.00	Appropriation (indefinite).....	137,341	160,357	204,428
67.10	Authority to borrow (42 U.S.C. 1487 (h)) (permanent, indefinite).....	.....	3,213,951	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	958,578	3,199,690	212,148
Obligated balance, start of year:				
72.47	Authority to borrow.....	5,226,405	2,095,908	5,150,992
72.98	Fund balance.....	14,579	3,205,077	102,948
Obligated balance, end of year:				
74.47	Authority to borrow.....	-2,095,908	-5,150,992	-3,623,651
74.98	Fund balance.....	-3,205,077	-102,948	-431,429
77.00	Adjustments in expired accounts.....	-100,451	.....	.....
90.00	Outlays.....	798,125	3,246,735	1,411,008

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority.....	2,433,624	6,338,557	3,864,489
Outlays.....	798,125	3,246,735	1,411,008
Proposed for later transmittal under proposed legislation:			
Budget authority.....	.....	.....	.....
Outlays.....	.....	.....	-88,607
Total:			
Budget authority.....	2,433,624	6,338,557	3,864,489
Outlays.....	798,125	3,246,735	1,322,401

Status of Direct Loans (in thousands of dollars)

Identification code	12-4141-0-3-371	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act				
Limitation on obligations:				
1111	Limitation on direct loans.....	1,918,093	1,714,490	.....
1112	Unobligated direct loan limitation.....	-202,535	.....	.....
1150	Total direct loan obligations.....	1,715,558	1,714,490	.....
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year.....	29,729,859	26,510,084	26,810,864
Disbursements:				
1231	Direct loan disbursements.....	1,762,710	1,775,000	840,000
1233	Purchase of loan assets from the public.....	3,484	143,400	800
Repayments:				
1251	Repayments and prepayments.....	-1,824,898	-1,487,600	-1,450,100
1253	Proceeds from loan asset sales to the public.....	-1,959,884	.....	-870,000
Adjustments:				
1261	Capitalized interest.....	23,908	22,000	23,300
1262	Write-offs for default.....	-31,029	-30,000	-30,000
1263	Discount on loan asset sales to the public.....	-1,028,718	.....	-882,000
1264	Other adjustments, net ¹	-165,348	-122,020	-65,650
1290	Outstanding, end of year.....	26,510,084	26,810,864	24,377,214

¹ Amounts shown are based on payment of delinquent installments, advances, principal subsidy, acquired property, judgments, loans-in-kind acquired real property, and gains/losses on assumptions.

Status of Guaranteed Loans (in thousands of dollars)

Identification code	12-4141-0-3-371	1987 actual	1988 est.	1989 est.
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year.....	182,301	176,897	36,697
2231	Disbursements: Disbursements of new guaranteed loans.....	132	.....	.....
2251	Repayments: Repayments and prepayments.....	-21,471	-4,000	-1,945
Adjustments:				
2262	Terminations for default that result in acquisition of property.....	-49	.....	.....
2263	Terminations for default that result in claim payments.....	-185	-200	-190
2264	Other adjustments, net ¹	16,169	-136,000	750
2290	Outstanding, end of year.....	176,897	36,697	35,312

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	174,360	34,280	33,009
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¹ Amounts shown are based on purchase of loans from investors, loans sold to investors, assumption agreements and acquired property, and gain or loss on assumption agreements.

Public enterprise funds—Continued

RURAL HOUSING INSURANCE FUND—Continued

Rural housing insurance fund.—This fund was established in 1965 (Public Law 89-117) pursuant to section 517 of title V of the Housing Act of 1949, as amended. This fund may be used to insure or guarantee rural housing loans for single family homes, rental and cooperative housing, farm labor housing, and rural housing sites and to make rental assistance payments authorized by section 521(a). Loan programs are limited to rural areas that include towns, villages, and other places which are not part of an urban area and that have a population not in excess of 2,500 inhabitants, or is in excess of 2,500 but not in excess of 10,000 if rural in character, or has a population in excess of 10,000 but not more than 20,000 and is not within a standard metropolitan statistical area and has a serious lack of mortgage credit for low- and moderate-income borrowers.

The 1989 budget proposes to terminate all new program activity under this account. A new FmHA rural housing voucher program is being proposed at 21,200 units annually to replace these programs. It is targeted to low income rural families most in need.

In fiscal year 1988 and 1989, a rural housing voucher demonstration is proposed under this account pursuant to authorities contained in the Housing and Community Development Act of 1987.

The major programs currently funded through the Rural housing insurance fund are: section 502 very low and low to moderate income home ownership loans; section 514 domestic farm labor housing loans; section 515 rural rental housing loans; section 521 rural rental assistance; and section 524 rural housing site loans.

In fiscal year 1987, the FmHA sold rural housing section 502 loan assets without recourse to institutional and individual investors. Additional sales are proposed in fiscal year 1989. The 1989 appropriation request reflects the realized discount on the sale of loan assets mandated by Congress for 1987.

The following table shows 1987 actual and estimated 1988 number of units and program levels.

RURAL HOUSING PROGRAMS—OBLIGATIONS

(In thousands of dollars)					
1987 actual		1988 estimate		1989 estimate	
No. of units	Amount	No. of units	Amount	No. of units	Amount
Subsidized housing loan assistance:					
Low-income housing loans to individuals	24,064 1,133,206	23,150 1,112,010			
Very low-income housing repair loans	1,707 5,848	3,200 11,330			
Rural rental housing loans	17,055 554,899	15,500 515,100			
Farm labor housing loans	417 10,686	530 11,480			
Subtotal, subsidized housing loan assistance	43,243 1,704,638	42,350 1,640,928			
Unsubsidized housing loan assistance:					
Low-income nonsubsidized		1,550 50,000			
Low- or moderate-income loans for servicing and repairs and special hardships	8 10,720	14,000			
Rural housing site loans	200	570			

Subtotal, unsubsidized housing loan assistance	43,251	10,920	1,550	64,570		
Total loan assistance	43,251	1,715,558				
Rural rental assistance payments	(24,921)	275,305	(24,921)	275,310		
Rural housing voucher demonstration			7,500	130,000	7,500	133,000
Total housing programs	43,251	1,990,863	47,030	2,120,300		

Note.—All unit information is preliminary. The units for rural rental assistance are included in number of units assisted in the corresponding loan programs. The site loan program provides homesites rather than dwelling units.

The new budget authority required for "Insufficiencies" is computed as follows (in thousands of dollars):

	1987 actual	1988 est.	1989 est.
Interest accrued on participation certificates	5,013	2,811	
Amortized discount on participation certificates	10	10	
Interest accrued on an equal amount of loans in the pool	-242	-136	
Insufficiency	4,781	2,685	
Financed by:			
Investment income from participation sales trust fund	-9,280	-5,239	
Retained earnings reserved for future insufficiencies	4,499	2,554	
New obligational authority			

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Revenue	1,563,924	1,384,760	1,322,556
Expense	-7,747,152	-5,903,072	-5,562,608
Net operating loss	-6,183,228	-4,518,312	-4,240,052
Nonoperating income or loss (—):			
Proceeds from sale of loan assets without recourse:			
Cash	1,729,201		870,000
Subordinate securities	180,000		110,000
Residual investment	21,000		
Protective advance fund	10,000		6,000
Total proceeds from sale	1,940,201		986,000
Net book value of loan assets sold	-2,968,919		-1,750,000
Net loss from sale of loan assets	-1,028,718		-764,000
Proceeds from sale of acquired property and loans without recourse:			
Cash	87,697	89,000	95,000
Loans receivable	489,803	500,000	530,000
Total proceeds from sale	577,500	589,000	625,000
Net book value of assets sold	-819,732	-789,000	-413,000
Net loss from sale of acquired property	-242,232	-200,000	-212,000
Net nonoperating loss	-1,270,950	-200,000	-976,000
Net loss for the year	-7,454,178	-4,718,312	-5,216,052

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Fund balance with Treasury	14,579	3,205,077	40,253	342,309
Accounts receivable (net)	254,794	198,211	200,639	200,639
Investments (net)		201,000	201,000	311,000
Loans receivable (net)	190,711	24,302,347	24,642,519	22,455,104
Other assets (net):				
Acquired securities (net)	452,523	448,317	412,189	391,057
Judgments	4,428	7,244	9,844	11,594
Guaranteed loans purchased from holders		629	629	629
Deferred charges and unamortized discount on participation certificates and loans sold	240	9		
Protective advance funds—loan assets sales		10,000	9,250	14,500
Total assets	917,275	28,372,835	25,516,323	23,726,832
Liabilities:				
Accounts payable	41,440	13,357	12,864	12,864

Interest payable	1,677,068	1,681,742	1,621,646	1,539,028
Unearned revenue (advances)	157,179	204,419	197,619	194,769
Debt issued under borrowing authority:				
Borrowings from Treasury	4,275,718	5,980,718	5,980,718	5,580,000
Borrowings from Federal Financing Bank		28,951,000	25,971,000	24,246,000
Borrowings from public		424,029	265,162	82,773
Participation certificates outstanding (net)	8,616	8,616		
Other liabilities:				
Provision for potential losses on loans sold or guaranteed	587,925	4,500	885	852
Total liabilities	6,747,946	34,268,380	34,049,894	31,656,286
Government equity:				
Revolving fund balances	-5,830,671	-8,895,545	-8,533,571	-7,929,454
Total Government equity	-5,830,671	-8,895,545	-8,533,571	-7,929,454

Note.—This statement excludes unfunded contingent liabilities under insurance programs in principal amounts in 1986, \$614,472 thousand; 1987, \$174,360 thousand; 1988, \$34,280 thousand; 1989, \$33,009 thousand.

Object Classification (in thousands of dollars)

Identification code	12-4141-0-3-371	1987 actual	1988 est.	1989 est.
25.0	Other services	28,872	65,500	28,000
33.0	Investments and loans	1,834,053	1,963,070	98,300
41.0	Grants, subsidies, and contributions	275,947	407,839	136,364
43.0	Interest and dividends	3,881,658	3,759,144	3,669,874
43.0	Interest on participation certificates	5,013	2,811	
44.0	Refunds	29,080	10,000	2,000
92.0	Undistributed charges	-210		
99.9	Total obligations	6,054,413	6,208,364	3,934,538

RURAL HOUSING INSURANCE FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-4141-2-3-371	1987 actual	1988 est.	1989 est.
Program by activities:				
01.12	CBO prepayment interest			-88,607
10.00	Total obligations (object class 25.0)			-88,607
Financing:				
32.47	Balance of authority to borrow withdrawn			88,607
39.00	Budget authority			
Relation of obligations to outlays:				
71.00	Obligations incurred, net			-88,607
90.00	Outlays			-88,607

Proposed legislation will be submitted that will effectively remove the prepayment penalty provisions associated with the redemption ahead of schedule of Certificates of Beneficial Ownership when such redemptions are pursuant to accomplishing sales of loan assets to the public. The Federal Financing Bank will request a direct appropriation for any penalty payments foregone by the client agencies.

Under the Rural Housing Insurance Fund, a \$88.6 million penalty has been projected pursuant to the redemption of \$725 million of Certificates of Beneficial Ownership in 1989 as part of the proposed sale of \$1.75 billion of rural housing loans. The proposed legislation would eliminate the need for the Agency to make such a payment to the Federal Financing Bank from the revolving fund to accomplish the redemption. This transaction would not have any government-wide budgetary impact.

RURAL DEVELOPMENT INSURANCE FUND

For direct and guaranteed loans as authorized by 7 U.S.C. 1928 and 86 Stat. 661-664, to be available from funds in the Rural Development Insurance Fund, as follows: insured water and sewer facility loans, [\$330,380,000] \$250,000,000; guaranteed industrial development loans, \$95,700,000; and insured community facility loans, [\$95,700,000] \$50,000,000.

For an additional amount to reimburse the Rural Development Insurance Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1988(a)), [\$842,682,000] \$1,607,047,000. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-4155-0-3-452	1987 actual	1988 est.	1989 est.
Program by activities:				
Capital investment:				
00.01	Loans obligated	426,080	426,080	300,000
00.02	Loans made: Advances on behalf of borrowers		104	100
00.03	Purchase of loans from investors	2,311	103,403	
00.04	Interest on loans purchased from investors	-37	-1,560	
00.05	Collateral acquired by default	7	15	15
00.06	Disbursement of loan repayments to investors	10,762	10,000	10,000
00.07	Purchase of guaranteed loans from investors	33,874	47,583	43,179
00.08	Interest on guaranteed loans purchased from investors	4,953	4,758	4,318
00.09	Recertified checks	-22		
00.91	Total capital investment	478,032	590,379	357,612
Operating expenses:				
01.01	Administrative expenses	611	3,791	350
01.01	Interest on FFB borrowings	970,407	814,341	627,609
01.02	Interest on certificates of beneficial ownership	19,913	13,942	5,610
01.03	Premium interest for investors	3,614	1,549	941
01.04	Interest expense on withheld collections	357	500	400
01.05	Interest on Treasury borrowings	161,571	203,120	241,548
01.06	Loss settlement expense on guaranteed loans	61,784	51,528	50,635
01.07	Unfilled orders	-2,443	-1,565	-1,238
01.08	Undistributed charges	-2,701		
01.09	Penalty expense on FFB repurchases		344,564	67,226
01.10	Other expenses	259		
01.91	Total operating expenses	1,213,372	1,431,770	993,081
10.00	Total obligations	1,691,404	2,022,149	1,350,693
Financing:				
Offsetting collections from:				
Non-Federal sources:				
14.00	Repayment on loans held by the fund	-273,726	-213,956	-177,747
14.00	Loan repayments received on behalf of investors	-10,762	-10,000	-10,000
14.00	Repayments on advances	-8	-20	-20
14.00	Repayment on guaranteed loans purchased from investors	-59,104	-54,134	-53,414
14.00	Proceeds from sale of acquired property	-189	-170	-100
14.00	Guarantee fees	-495	-861	-861
14.00	Interest revenue	-481,291	-383,745	-323,387
14.00	Guaranteed loss recoveries	-2,899		
14.00	Other revenue	-10	-3,867	-3,867
14.00	Insurance premium	-1	-1	-1
14.00	Sale of loans without recourse	-1,044,516	-355,880	-630,000
14.00	Repayments on borrower loans purchased	-51,403	-505,000	
21.98	Unobligated balance available, start of year		-123,227	
24.98	Unobligated balance available, end of year	123,227		
Redemption of debt:				
31.00	FFB		3,387,000	200,000
31.00	Public CBO's	7,772	144,743	89,733
32.47	Balance of authority to borrow withdrawn	928,647		1,166,018
39.00	Budget authority	826,645	3,903,031	1,607,047
Budget authority:				
Current:				
40.00	Appropriation	656,645	842,682	1,607,047
41.00	Transferred to other accounts		-7,500	
43.00	Appropriation (adjusted)	656,645	835,182	1,607,047

Public enterprise funds—Continued

RURAL DEVELOPMENT INSURANCE FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-4155-0-3-452	1987 actual	1988 est.	1989 est.
Permanent:				
67.10	Authority to borrow (7 U.S.C. 1929 a(d)) (indefinite)		3,067,849	
67.10	Authority to borrow (12 U.S.C. 2281-96) (indefinite)	170,000		
Relation of obligations to outlays:				
71.00	Obligations incurred, net	-233,001	494,515	151,296
72.10	Receivables in excess of obligations, start of year		-123,227	
Obligated balance, start of year:				
72.47	Authority to borrow	2,019,511		1,603,106
72.98	Fund balance	27,025	2,098,227	89,174
74.10	Receivables in excess of obligations, end of year	123,227		
Obligated balance, end of year:				
74.47	Authority to borrow		-1,603,106	-1,304,855
74.98	Fund balance	-2,098,227	-89,174	-47,910
77.00	Adjustments in expired accounts	-48,092		
90.00	Outlays	-209,557	777,235	490,811

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1987 actual	1988 est.	1989 est.
Budget authority	826,645	3,903,031	1,607,047
Outlays	-209,557	777,235	490,811
Proposed for later transmittal under proposed legislation:			
Budget authority			
Outlays			-67,226
Credit reform:			
Budget authority			
Outlays			-11,139
Total:			
Budget authority	826,645	3,903,031	1,607,047
Outlays	-209,557	777,235	412,446

Status of Direct Loans (in thousands of dollars)

Identification code	12-4155-0-3-452	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans	426,080	426,080	300,000
1150	Total direct loan obligations	426,080	426,080	300,000
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	8,227,237	6,430,758	5,386,277
Disbursements:				
1231	Direct loan disbursements	465,848	450,404	503,639
1233	Purchase of loan assets from the public	2,163	91,191	
Repayments:				
1251	Repayments and prepayments	-325,137	-718,976	-177,767
1253	Proceeds from loan asset sales to the public	-1,044,516	-355,880	-630,000
Adjustments:				
1261	Capitalized interest	2,018	2,100	2,100
1262	Write-offs for default	-842	-500	-500
1263	Discount on loan asset sales to the public	-861,880	-512,420	-495,000
1264	Other adjustments, net	-34,133	-400	-300
1290	Outstanding, end of year	6,430,758	5,386,277	4,588,449
Estimate of direct loan subsidy:				
1320	Subsidy amount (in percent)		15.6	13.6
1330	Subsidy amount (in thousands of dollars)		66,560	40,860

¹ Amounts shown are based on advances on behalf of borrowers and acquired property.

Status of Guaranteed Loans (in thousands of dollars)

Identification code	12-4155-0-3-452	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders	114,840	95,700	95,700
2150	Total guaranteed loan commitments	114,840	95,700	95,700
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	2,356,176	1,918,296	1,653,041
2231	Disbursements: Disbursements of new guaranteed loans	75,221	115,989	83,437
2251	Repayments: Repayments and prepayments	-287,509	-240,053	-213,447
Adjustments:				
2263	Terminations for default that result in claim payments	-57,039	-50,000	-40,000
2264	Other adjustments, net	-168,553	-91,191	
2290	Outstanding, end of year	1,918,296	1,653,041	1,483,031
MEMORANDUM				
2299	U.S. contingent liability for guaranteed loans outstanding, end of year	1,700,652	1,457,091	1,308,211

Estimate of guaranteed loan subsidy:

2320	Subsidy amount (in percent)		0.9	0.9
2330	Subsidy amount (in thousands of dollars)		900	870

The Rural Development Insurance Fund (RDIF) was established on October 1, 1972, pursuant to section 116 of the Rural Development Act of 1972 (Public Law 92-419), approved August 30, 1972, which also provided for transfer of the assets and liabilities of the Agricultural Credit Insurance Fund applicable to loans for water systems and waste disposal facilities to this fund. The 1985 farm bill, signed December 23, 1985, extends authorization of the RDIF through fiscal year 1988.

The fund is used to insure or guarantee loans for water systems and waste disposal facilities, community facilities, and industrial development in rural areas.

The Food Security Act of 1985, Public Law 99-198, provided for rural development finance corporation loans to be made in conjunction with rural development finance grants authorized under the Rural development loan fund. The objective of this program is to guarantee loans made by public agencies to nonprofit national rural development and finance corporations that establish statewide rural development and finance programs for the purpose of providing loans, guarantees, and other financial assistance to local businesses to improve business, industry and employment opportunities in rural areas. All available funds were obligated in fiscal year 1987. No additional funds were appropriated in fiscal year 1988 and no program is requested in fiscal year 1989.

In fiscal year 1987, the Agency sold a portion of the loan portfolio without recourse to institutional and individual investors. Additional sales are required in 1988 and 1989. The 1989 appropriation request reflects the realized discount on the sale of loan assets mandated by Congress for 1987.

The following table shows the number of loans and the program levels for 1987 actual and estimated for 1988 and 1989. The guaranteed program levels reflect the full principal amount of the loans of which part is guaranteed by the U.S. Government.

LOAN OBLIGATIONS

(In millions of dollars)

	1987 actual		1988 estimate		1989 estimate	
	Number	Amount	Number	Amount	Number	Amount
Rural development loans:						
Water and waste disposal systems	679	330,380	650	330,380	480	250,000
Community facilities	217	95,700	210	95,700	110	50,000
Industrial development	67	95,700	65	95,700	60	95,700
Rural development finance corporation	12	19,140				
Total, Rural development insurance fund	975	540,920	935	521,780	650	395,700

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Revenue	489,939	382,395	337,895
Expense	—1,736,416	—1,832,767	—1,394,289
Net operating loss	—1,246,477	—1,450,372	—1,056,394
Nonoperating income or loss (—):			
Proceeds from sale of loan assets	1,129,534	860,880	630,000
Net book value of assets sold	—1,991,414	—1,373,300	—1,125,000
Net loss from sale of loan assets	—861,880	—512,420	—495,000
Proceeds from sale of acquired property:			
Cash	190	170	100
Loans receivable	462		
Total proceeds from sale	652	170	100
Net book value of assets sold	—988	—410	—300
Net loss from sale of acquired property	—336	—240	—200
Net nonoperating loss	—862,216	—512,660	—495,200
Net loss for the year	—2,108,693	—1,963,032	—1,551,594

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Fund balance with Treasury	27,025	2,098,227	89,174	47,910
Accounts receivable (net)	280,843	118,573	108,637	105,604
Investments (net)		33,614	33,614	33,614
Loans receivable (net)	7,910,290	6,400,874	5,361,000	4,567,343
Other assets:				
Acquired property	213	349	474	609
Deferred charges and unamortized discount on loans sold	2,714	5		
Guaranteed loans purchased from holders	258,678	246,063	236,236	220,884
Total assets	8,479,763	8,897,705	5,829,135	4,975,964
Liabilities:				
Accounts payable	505,101	509,590	397,440	352,338
Interest payable	54,327	73,831	72,269	71,034
Debt issued under borrowing authority:				
Borrowings from Treasury	1,861,000	2,896,000	4,216,000	3,266,000
Borrowings from Federal Financing Bank	7,878,000	8,048,000	4,661,000	4,461,000
Borrowings from public		262,433	117,690	27,957
Other liabilities: Provision for potential losses on loans sold or guaranteed	135,158	120,604	112,234	104,075
Total liabilities	10,433,586	11,910,458	9,576,633	8,282,404
Government equity:				
Revolving fund balances	—1,953,823	—3,012,753	—3,747,498	—3,306,440
Total Government equity	—1,953,823	—3,012,753	—3,747,498	—3,306,440

Note.—This statement excludes unfunded contingent liabilities under insurance programs in principal amounts. 1986, \$2,210,569 thousand; 1987, \$1,700,652 thousand; 1988, \$1,457,091 thousand and 1989, \$1,308,211 thousand.

Object Classification (in thousands of dollars)

Identification code	12-4155-0-3-452	1987 actual	1988 est.	1989 est.
25.0	Other services	60,211	398,318	116,973
33.0	Investments and loans	462,354	577,181	343,294
43.0	Interest and dividends	1,160,778	1,036,650	880,426
44.0	Refunds	10,762	10,000	10,000
92.0	Undistributed charges	—2,701		
99.9	Total obligations	1,691,404	2,022,149	1,350,693

RURAL DEVELOPMENT INSURANCE FUND

(Proposed for later transmittal, proposal legislation)

Program and Financing (in thousands of dollars)

Identification code	12-4155-2-3-452	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 25.0)			—67,226
Financing:				
32.47	Balance of authority to borrow withdrawn			67,226
39.00	Budget authority			
Relation of obligations to outlays:				
71.00	Obligations incurred, net			—67,226
	Obligated balance, start of year:			
72.47	Authority to borrow			—344,564
72.98	Fund balance			344,564
	Obligated balance, end of year:			
74.47	Authority to borrow		344,564	411,790
74.98	Fund balance		—344,564	—411,790
90.00	Outlays			—67,226

Proposed legislation will be submitted that will effectively remove the prepayment penalty provisions associated with the redemption ahead of schedule of Certificates of Beneficial Ownership when such redemptions are pursuant to accomplishing sales of loan assets to the public. The Federal Financing Bank will request a direct appropriation for any penalty payments foregone by the client agencies.

Under the Rural Development Insurance Fund, \$411.8 million of penalties have been projected from redemption of \$3.587 billion of Certificates of Beneficial Ownership in 1988 and 1989 as part of actual and proposed sales of community program loans. The proposed legislation would eliminate the need for the Agency to make such payments to the Federal Financing Bank from the revolving fund to accomplish the redemptions. This transaction would not have any government-wide budgetary impact.

RURAL DEVELOPMENT INSURANCE FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-4155-6-3-452	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Capital investment: Loans obligated			—300,000
10.00	Total obligations (object class 33.0)			—300,000
Financing:				
14.00	Offsetting collections from: Non-Federal sources: Guarantee fees			861
32.47	Balance of authority to borrow withdrawn			299,139
39.00	Budget authority			
Relation of obligations to outlays:				
71.00	Obligations incurred, net			—299,139

Public enterprise funds—Continued

RURAL DEVELOPMENT INSURANCE FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-4155-6-3-452	1987 actual	1988 est.	1989 est.
74.47	Obligated balance, end of year.....			288,000
90.00	Outlays.....			-11,139
Status of Direct Loans (in thousands of dollars)				
Identification code	12-4155-6-3-452	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans.....			-300,000
1150	Total direct loan obligations.....			-300,000
Cumulative balance of direct loans outstanding:				
1231	Disbursements: Direct loan disbursements.....			-12,000
1290	Outstanding, end of year.....			-12,000
Estimate of direct loan subsidy:				
1320	Subsidy amount (in percent).....			-13.6
1330	Subsidy amount (in thousands of dollars).....			-40,860

Status of Guaranteed Loans (in thousands of dollars)

Identification code	12-4155-6-3-452	1987 actual	1988 est.	1989 est.
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans by private lenders.....			-95,700
2150	Total guaranteed loan commitments.....			-95,700
Cumulative balance of guaranteed loans outstanding:				
2231	Disbursements: Disbursements of new guaranteed loans...			-19,140
2290	Outstanding, end of year.....			-19,140
MEMORANDUM				
2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....			-17,226
Estimate of guaranteed loan subsidy:				
2320	Subsidy amount (in percent).....			-0.9
2330	Subsidy amount (in thousands of dollars).....			-870

This schedule shows the effects of the Administration's credit reform proposal on the existing revolving fund. All new activity in this program in 1989 and beyond is recorded in a corresponding proposed general fund subsidy account. An explanation of the proposal is included in Part 6b of the Budget.

[RURAL DEVELOPMENT LOAN FUND]

[For direct loans to intermediary borrowers, \$14,000,000, as authorized under the Rural Development Loan Fund (42 U.S.C. 9812(a)), to be available from funds in the Rural Development Loan Fund, \$6,500,000 and from funds transferred from the Rural Development Insurance Fund, \$7,500,000: *Provided*, That such funds be made available within six months of enactment and that a priority be given applications serving rural communities in economic distress or from organizations experienced in administering rural economic development programs.] (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-4233-0-3-452	1987 actual	1988 est.	1989 est.
Program by activities:				
Capital investment:				
00.01	Loans obligated.....		14,000	

00.02	Grants obligated.....	14,264		
00.03	Loans made: Advances on behalf of borrowers.....	1		
00.91	Total capital investment.....	14,265	14,000	
Operating expenses: Other expenses.....				
		1		
01.91	Total operating expenses.....	1		
10.00	Total obligations.....	14,265	14,000	
Financing:				
14.00	Offsetting collections from: Non-Federal sources.....	-2,545	-2,581	-3,303
21.98	Unobligated balance available, start of year: Fund balance.....	-17,053	-5,333	-1,414
24.98	Unobligated balance available, end of year: Fund balance.....	5,333	1,414	4,717
39.00	Budget authority.....		7,500	
Budget authority:				
42.00	Transferred from other accounts.....		7,500	
43.00	Appropriation (adjusted).....		7,500	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	11,720	11,418	-3,303
72.98	Obligated balance, start of year: Fund balance.....	350	14,264	12,600
74.98	Obligated balance, end of year: Fund balance.....	-14,264	-12,600	-7,700
90.00	Outlays.....	-2,193	13,082	1,597

Status of Direct Loans (in thousands of dollars)

Identification code	12-4233-0-3-452	1987 actual	1988 est.	1989 est.
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year.....	34,637	33,451	33,012
1231	Disbursements: Direct loan disbursements.....	350	1,400	4,900
1251	Repayments: Repayments and prepayments.....	-1,641	-1,673	-2,311
Adjustments:				
1262	Write-offs for default.....	-109	-167	-165
1264	Other adjustments, net.....	214	1	
1290	Outstanding, end of year.....	33,451	33,012	35,436

This fund was transferred to FmHA from the Department of Health and Human Services pursuant to Public Law 99-198, the Food Security Act of 1985. This Act mandated that the unobligated balance in the Fund, as of the date of enactment (December 23, 1985), be made available for grants to rural development finance corporations. These grants are to be made in conjunction with rural development finance corporation loans authorized under FmHA's Rural development insurance fund. No rural development finance corporation loans or grants were made in 1986. In 1987, \$14.3 million in grants was made. In addition, Public Law 99-425, the Human Services Reauthorization Act of 1986, reauthorized the making of loans in fiscal year 1987 out of repayments or other funds made available to the Rural development loan fund by FmHA. Since no loans were obligated from this fund in fiscal year 1987, the unobligated balance will be added to a transfer of \$7.5 million from the Rural Development Insurance Fund to provide a total program level of \$14 million for fiscal year 1988. No program level is requested for fiscal year 1989.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (-):			
Revenue.....	1,896	2,012	2,316
Expense.....	-7,180	-18,996	-5,671
Net operating loss.....	-5,284	-16,984	-3,355

Nonoperating income or loss (—):			
Proceeds from sale of acquired property: Cash	3		
Total proceeds from sale	3		
Net book value of assets sold	—5		
Net nonoperating loss	—2		
Net loss for the year	—5,284	—16,986	—3,355

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Fund balance with Treasury	17,403	19,596	14,014	12,417
Accounts receivable (net)	877	977	1,826	2,420
Loans receivable (net)	32,776	29,616	29,380	31,538
Other assets (net)	28	27	20	19
Total assets	51,084	50,216	45,240	46,394
Liabilities:				
Total liabilities				
Equity:				
Revolving fund balances	51,084	50,216	45,240	46,394
Total equity	51,084	50,216	45,240	46,394

Object Classification (in thousands of dollars)

Identification code	12-4233-0-3-452	1987 actual	1988 est.	1989 est.
33.0	Investments and loans	1	14,000	
41.0	Grants	14,264		
99.9	Total obligations	14,265	14,000	

ALLOTMENT AND ALLOCATIONS RECEIVED FROM OTHER AGENCIES

Note.—Obligations incurred under allotments from other accounts are included in the schedules of the parent appropriations as follows:

Agriculture: Soil Conservation Service:

“Watershed and flood prevention operations.”

“Resource conservation and development.”

Appalachian Regional Commission: “Appalachian regional development programs.”

Commerce:

General Administration: “Economic development assistance program.”

Regional Development Program: “Regional development programs.”

SOIL CONSERVATION SERVICE

Federal Funds

General and special funds:

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f) including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100; purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, [\$398,670,000] \$455,208,000, of which not less than [\$5,379,000] \$5,494,000 is for snow survey and water forecasting and not less than [\$4,856,000] \$5,065,000 is for operation and establishment of the plant materials centers: [Provided, That of the foregoing amounts not less than \$310,000,000 is for personnel compensation and benefits:] *Provided further*, That the Chief of the Soil Conservation Service shall report directly to the Secretary of Agriculture: *Provided further*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$10,000, except for one building to be constructed at a cost not to exceed \$100,000 and eight buildings to be constructed or improved at a cost not to exceed \$50,000 per building and except that alter-

ations or improvements to other existing permanent buildings costing \$5,000 or more may be made in any fiscal year in an amount not to exceed \$2,000 per building: *Provided further*, That when buildings or other structures are erected on non-Federal land that the right to use such land is obtained as provided in 7 U.S.C. 2250a: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a-590f) in demonstration projects: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) and not to exceed \$25,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service (16 U.S.C. 590e-2): *Provided further*, That none of the funds in this Act shall be used for the purpose of consolidating equipment, personnel, or services of the Soil Conservation Service's national technical centers in Portland, Oregon; Lincoln, Nebraska; Chester, Pennsylvania; and Fort Worth, Texas, into a single national technical center]. (7 U.S.C. 1010a, 1387, 1807, 2201-02, 2250; 16 U.S.C. 590g, 590q-1, 2001-09; 42 U.S.C. 3271-74; 26 Stat. 653; Reorg. Plan No. IV of 1940; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-1000-0-1-302	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Technical assistance	328,469	365,990	376,006
00.02	Soil surveys	57,930	67,717	68,643
00.03	Snow survey water forecasting	4,956	5,379	5,494
00.04	Operation of plant materials centers	4,552	4,856	5,065
00.91	Total direct program	395,907	443,942	455,208
01.01	Reimbursable program	38,973	46,000	33,447
10.00	Total obligations	434,880	489,942	488,655
Financing:				
Offsetting collections from:				
11.00	Federal funds	—31,099	—37,319	—24,766
14.00	Non-Federal sources	—7,875	—8,681	—8,681
21.40	Unobligated balance available, start of year	—1	—32	
24.40	Unobligated balance available, end of year	32		
25.00	Unobligated balance lapsing	3,733		
39.00	Budget authority	399,671	443,910	455,208
Budget authority:				
40.00	Appropriation	379,671	398,670	455,208
42.00	Transferred from other accounts	20,000	45,240	
43.00	Appropriation (adjusted)	399,671	443,910	455,208
Relation of obligations to outlays:				
71.00	Obligations incurred, net	395,907	443,942	455,208
72.40	Obligated balance, start of year	34,113	66,766	48,869
74.40	Obligated balance, end of year	—66,766	—48,869	—49,750
77.00	Adjustments in expired accounts	—1,435		
90.00	Outlays	361,819	461,839	454,327

Technical assistance.—Technical assistance is provided through 2,947 conservation districts to land users and decisionmakers, including individual landowners and operators, community groups, units of government, Indian tribes, and others for the planning of conservation programs and installation of needed conservation systems on the land, including design, layout, installation, and consultation services.

Combinations of needed soil and water conservation systems are planned in relation to each other to achieve well-balanced conservation programs. Technicians of the Soil Conservation Service explain the various soil conditions, develop alternative uses and treatments, help to evaluate the costs and returns of conservation work, and furnish onsite assistance to farmers, ranch-

General and special funds—Continued

CONSERVATION OPERATIONS—Continued

ers, and others in applying the needed treatments. About 70 percent of the total annual investment in conservation practices applied through the conservation technical assistance program is made by private land-users. During 1989, personnel funded within this account will continue to provide technical assistance to implement the Conservation Reserve Program and the highly erodible land and wetland conservation provisions of the Food Security Act of 1985.

MAIN WORKLOAD FACTORS

	1987 actual	1988 est.	1989 est.
Decisionmakers receiving technical services.....	1,068,029	1,175,000	1,292,000
Acres treated with conservation technical assistance.....	55,572,504	60,000,000	65,000,000
Tons of soil erosion reduced.....	338,389,244	378,000,000	409,500,000

Also included in this item are the inventory and monitoring, resource appraisal, and program development activities carried out by the Service. Resource inventories are conducted to provide soil, water, and related resource data for evaluating land-use changes and trends; and for guidance in the development and implementation of Federal, State, and local resource conservation programs. Resource appraisal and program development provides for periodic reports to the public and Congress as required by the Soil and Water Resources Conservation Act of 1977 as amended.

Soil surveys.—Soil surveys and investigations are made of the Nation's soil resources, with interpretations and publications that provide physical land facts needed for program development, resource conservation planning, installation of planned practices, and for use by other Federal, State, and local agencies in making land-use decisions.

MAIN WORKLOAD FACTORS

	1987 actual	1988 est.	1989 est.
Acres mapped annually.....	36,986,890	40,228,000	40,228,000
Soil surveys ready for publication (number).....	78	80	70

Snow survey water forecasting.—Water supply forecasts prepared from snow surveys in western states are used in making efficient seasonal use of water for irrigation, flood control, fish and wildlife, recreation, power generation, municipal and industrial water supply, and water quality management.

Operation of plant materials centers.—The selection and evaluation of plant materials are made at 22 plant materials centers through field trials to determine their suitability for erosion control, conservation, and other environmental improvements.

Object Classification (in thousands of dollars)

Identification code	12-1000-0-1-302	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1 Full-time permanent.....		234,768	256,814	258,056
11.3 Other than full-time permanent.....		8,599	18,201	18,292
11.5 Other personnel compensation.....		3,167	3,703	3,720
11.9 Total personnel compensation.....		246,534	278,718	280,068
12.1 Civilian personnel benefits.....		42,849	51,600	53,235
13.0 Benefits for former personnel.....		373	415	415
21.0 Travel and transportation of persons.....		9,845	11,957	12,345
22.0 Transportation of things.....		4,512	5,209	5,414
23.2 Rental payments to others.....		11,102	12,776	13,276
23.3 Communications, utilities, and miscellaneous charges....		14,430	16,576	17,225

24.0	Printing and reproduction.....	3,493	3,986	4,138
25.0	Other services.....	24,603	27,668	33,615
26.0	Supplies and materials.....	8,534	9,719	10,096
31.0	Equipment.....	29,310	25,018	25,069
32.0	Land and structures.....	276	247	257
42.0	Insurance claims and indemnities.....	46	53	55
99.0	Subtotal, direct obligations.....	395,907	443,942	455,208
99.0	Reimbursable obligations.....	38,973	46,000	33,447
99.9	Total obligations.....	434,880	489,942	488,655

Personnel Summary

Direct:			
Total number of full-time permanent positions.....	8,256	8,945	8,945
Total compensable workyears:			
Full-time equivalent employment.....	8,927	9,951	9,951
Full-time equivalent of overtime and holiday hours.....	73	73	73
Reimbursable:			
Total number of full-time permanent positions.....	727	813	542
Total compensable workyears: Full-time equivalent employment.....	811	947	631

WATER RESOURCE MANAGEMENT AND IMPROVEMENT

[RIVER BASIN SURVEYS AND INVESTIGATIONS]

[For necessary expenses to conduct research, investigations, and surveys of the watersheds of rivers and other waterways, in accordance with section 6 of the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1006-1009), \$12,051,000: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$60,000 shall be available for employment under 5 U.S.C. 3109.]

[WATERSHED PLANNING]

[For necessary expenses for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001-1008), \$8,651,000: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109.]

[WATERSHED AND FLOOD PREVENTION OPERATIONS]

[For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1001-1005, 1007-1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and in accordance with the provisions of laws relating to the activities of the Department, \$165,873,000 (of which \$26,271,000 shall be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701, 16 U.S.C. 1006a), as amended and supplemented): *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$2,500,000 shall be available for emergency measures as provided by sections 403-405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203-2205), and not to exceed \$200,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That \$7,949,000 in loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (7 U.S.C. 1931): *Provided further*, That not to exceed \$1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93-205), as amended, including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction.]

For necessary expenses to carry out preventive measures, including but not limited to research, investigations, planning and surveys of the watersheds of rivers and other waterways, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1001-1009), the provisions of the Act of

April 27, 1935 (16 U.S.C. 590a-f), and in accordance with the provisions of laws relating to the activities of the Department, \$116,000,000; of which not to exceed \$2,500,000 for emergency measures as provided by sections 403-405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203-2205), not to exceed \$310,000 for employment under 5 U.S.C. 3109, and not to exceed \$1,000,000 to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93-205, as amended, including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225): Provided further, That during fiscal year 1989, no new direct loans shall be made for activities under this heading from the Agricultural Credit Insurance Fund of the Farmers Home Administration. (7 U.S.C. 2201-02; 16 U.S.C. 1001-1009; 33 U.S.C. 701b-1, 701b-11; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-1068-0-1-301	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	River basin surveys and investigations	11,930	12,051	9,809
00.02	Watershed planning and construction authorized by P.L. 534 and 566	175,808	183,020	103,571
00.03	Emergency watershed protection operations	34,240	13,885	2,500
00.04	Loan services	255	255	120
00.91	Total, direct program	222,233	209,211	116,000
01.01	Reimbursable program	16,696	20,400	15,875
10.00	Total obligations	238,929	229,611	131,875
Financing:				
Offsetting collections from:				
11.00	Federal funds	-879	-1,206	-798
14.00	Non-Federal sources	-15,817	-19,194	-15,077
17.00	Recovery of prior year obligations	-7		
21.40	Unobligated balance available, start of year	-47,272	-22,636	
24.40	Unobligated balance available, end of year	22,636		
25.00	Unobligated balance lapsing or restored	240		
40.00	Budget authority (appropriation)	197,830	186,575	116,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net	222,233	209,211	116,000
72.40	Obligated balance, start of year	146,784	141,386	115,700
74.40	Obligated balance, end of year	-141,386	-115,700	-89,801
77.00	Adjustments in expired accounts	-206		
78.00	Adjustments in unexpired accounts	-7		
90.00	Outlays	227,419	234,896	141,899
Distribution of budget authority by account:				
	River basin surveys and investigations	12,051	12,051	
	Watershed planning	8,651	8,651	
	Watershed and flood prevention operations	177,128	165,873	
	Water resource management and improvement			116,000
Distribution of outlays by account:				
	River basin surveys and investigations	12,941	10,963	
	Watershed planning	8,184	8,627	
	Watershed and flood prevention operations	206,294	215,306	
	Water resource management and improvement			141,899

This program provides for cooperation between the Federal Government and States and their political subdivisions to reduce damage from floodwater, sediment, and erosion, for the conservation, development, utilization and disposal of water, and for the conservation and proper utilization of land. The 1989 budget proposes to merge all water resource activities carried out by the Soil Conservation Service into a single appropriation account to simplify program and financial management and provide greater flexibility at an overall reduced budget level. Under this initiative, new studies, plans and construction starts will be initiated in 1989 only for high priority work or in response to urgent national resource concerns. Legislation will be proposed to nego-

tiate cost-share rates on a project specific basis and require non-federal contributions of between 25 and 50 percent of which 5 percent will be in cash.

River basin surveys and investigations.—The Department cooperates with other Federal, State, and local agencies in making surveys and investigations of watersheds of rivers and other waterways as the basis for the development of coordinated water and related land resources programs.

MAIN WORKLOAD FACTORS

Status of river basin surveys:	1987 actual	1988 est.	1989 est.
USDA cooperative studies:			
Surveys in progress, start of year	57	66	70
Surveys initiated during year	17	19	13
Surveys worked during year	74	85	83
Surveys completed during year	8	15	15
Surveys in progress, end of year	66	70	68
Cumulative total surveys initiated	297	316	329
Cumulative total surveys completed	253	268	283
Flood plain management assistance program:			
States involved	27	27	27
Completed studies	28	8	20
Ongoing studies, end of year	64	87	84
Cumulative total completed	427	435	455

The 1989 budget will continue to perform USDA cooperative studies and flood plain management studies. Interagency coordination and program formulation activities will be terminated and all reimbursable flood insurance study work will end during the year.

Watershed planning and construction authorized by Public Laws: P.L. 534 and P.L. 566.—The Department cooperates with other agencies and the States in planning and installing land treatment measures and watershed improvement measures to reduce damage from floodwater, sediment and erosion and for the conservation, development, utilization and disposal of water.

Small watershed planning activities.—The Department makes surveys of proposed small watershed projects, and work plans are prepared in cooperation with local sponsors. These plans outline the soil and water management problems in the watershed, the steps that have been or are authorized to be taken to alleviate these problems, the proposed works of improvement to be installed, the estimated benefits and costs, cost sharing, and operation and maintenance arrangements, and other facts necessary to justify Federal participation in project development.

The following tabulation shows the status of small watershed plans:

MAIN WORKLOAD FACTORS

Activity	1987 actual	1988 est.	1989 est.
Applications for planning assistance:			
On hand, cumulative start of year	2,340	2,363	2,385
Net change during year	23	22	
On hand, cumulative, end of year	2,363	2,385	2,385
Consisting of:			
Authorized for planning	2,038	2,068	2,068
Available for planning	325	317	317
Status of planning:			
Authorized, cumulative, start of year	2,016	2,038	2,068
Suspended or terminated, cumulative, start of year	480	484	486
Completed, cumulative, start of year	1,382	1,436	1,481
Planning in process, start of year	154	118	101
New authorizations during year	22	30	
Terminated during year	4	2	2
Completions during year	54	45	40
Planning in process, end of year	118	101	59

General and special funds—Continued

[WATERSHED AND FLOOD PREVENTION OPERATIONS]—Continued

Watershed operations activities authorized by Public Law 534.—The Department cooperates with soil conservation districts and other local organizations in planning and installing works of improvement for flood prevention in 11 watersheds authorized by the Flood Control Act of 1944. The Federal Government shares the cost of works of improvement for flood prevention, agricultural water management, recreation, and fish and wildlife development.

Within the 11 authorized projects, 406 subwatershed areas have been identified for planning purposes. Installation progress in these subwatersheds is as follows:

MAIN WORKLOAD FACTORS

Subwatershed status:	1987 actual	1988 est.	1989 est.
Projects in preconstruction, end of year	20	19	19
Projects in construction, start of year	86	88	88
Projects in preconstruction and construction, end of year	106	107	107
Projects continuing land treatment, end of year	65	65	65
Projects completed, end of year	160	160	160
Projects not started, end of year	75	74	74
Total, subwatershed projects	406	406	406

Small watershed operations activities authorized by Public Law 566.—The Department provides technical and financial assistance to local organizations to install measures for watershed protection, flood prevention, agricultural water management, recreation, and fish and wildlife enhancement.

Watershed work plans are prepared by sponsoring local organizations with the Department's assistance or through State and local resources. After work plans are approved by the Department or Congress (projects where the estimated Federal contribution will exceed \$5 million require congressional approval), technical services and financial assistance are provided for specific works of improvements.

The following tabulation shows the status of Public Law 566 projects:

MAIN WORKLOAD FACTORS

Status of Projects approved for operations:	1987 actual	1988 est.	1989 est.
Projects in preconstruction	181	206	246
Projects under construction, start of year	387	397	387
New construction starts	6	20	.....
Projects completed during year	12	10	10
Projects Land Treatment continuing	45	31	50
Subtotal projects requiring funds	631	664	694
Projects not requiring funds	155	155	155
Projects completed in prior years	650	662	672
Total approved projects	1,436	1,481	1,521

Emergency watershed protection operations.—This program authorizes the Secretary of Agriculture to undertake such emergency measures for runoff retardation and soil erosion prevention as may be needed to safeguard life and property from floods and the products of erosion on any watershed whenever natural elements or force causes a sudden impairment of that watershed. An emergency is considered to exist when a watershed is suddenly impaired by flood, fire, wind, earthquake, or

other natural cause and consequently life and property are endangered by floodwater, erosion, or sediment discharge. The emergency area need not be declared a national disaster area to be eligible for emergency watershed protection. Emergency watershed protection is applicable to small scale, localized disasters as well as large scale disasters. State environmental, natural resource, fish and game, and other agencies participate in planning and coordinating emergency work.

Loan services.—Loans are made to local sponsoring organizations to finance the local cost of installing works of improvement in Public Law 534 and approved Public Law 566 watershed projects. Repayment with interest is required within 50 years after the principal benefits of improvements first become available. Loans are made from funds available for this purpose from the Agricultural credit insurance fund of the Farmers Home Administration. Loan services related to processing and making loans are financed from this appropriation.

The 1989 Budget proposes no new Agricultural credit insurance fund loans for construction starts. Funding for fiscal year 1989 and beyond will be to service existing loans.

Object Classification (in thousands of dollars)

Identification code	12-1068-0-1-301	1987 actual	1988 est.	1989 est.
SOIL CONSERVATION SERVICE				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	58,128	55,085	44,018
11.3	Other than full-time permanent	2,348	2,227	1,777
11.5	Other personnel compensation	2,148	1,605	1,222
11.9	Total personnel compensation	62,624	58,917	47,017
12.1	Civilian personnel benefits	9,799	9,581	7,628
13.0	Benefits for former personnel	229	228	182
21.0	Travel and transportation of persons	2,809	2,539	1,995
22.0	Transportation of things	756	753	594
23.2	Rental payments to others	2,120	2,113	1,667
23.3	Communications, utilities, and miscellaneous charges	2,823	2,802	2,219
24.0	Printing and reproduction	606	603	479
25.0	Other services	9,555	9,989	7,712
25.0	Other services (construction contracts)	75,649	68,717	23,300
26.0	Supplies and materials	2,418	2,111	1,477
31.0	Equipment	6,714	6,402	5,174
32.0	Land and structures	11	11	9
41.0	Grants, subsidies, and contributions	41,127	40,351	14,995
42.0	Insurance claims and indemnities	6	5	4
99.0	Subtotal, direct obligations	217,246	205,122	114,452
99.0	Reimbursable obligations	16,695	20,400	15,875
ALLOCATION ACCOUNTS				
Personnel compensation:				
11.1	Full-time permanent	1,995	1,885	708
11.3	Other than full-time permanent	214	119	43
11.5	Other personnel compensation	110	67	24
11.9	Total personnel compensation	2,319	2,071	775
12.1	Civilian personnel benefits	366	325	124
13.0	Benefits for former personnel	4	4	1
21.0	Travel and transportation of persons	189	172	65
22.0	Transportation of things	24	11	7
23.1	Rental payments to GSA	33	51	20
23.2	Rental payments to others	11	10	5
23.3	Communications, utilities, and miscellaneous charges	162	74	29
24.0	Printing and reproduction	20	28	11
25.0	Other services	1,147	728	273
26.0	Supplies and materials	205	155	59
31.0	Equipment	51	58	23
32.0	Land and structures	8	2	1
41.0	Grants, subsidies, and contributions	446	399	155

42.0	Insurance claims and indemnities.....	2	1	.....
99.0	Subtotal, allocation accounts.....	4,987	4,089	1,548
99.0	Subtotal, reimbursable allocation accounts.....	1		
99.9	Total obligations.....	238,929	229,611	131,875
Obligations are distributed as follows:				
	Soil Conservation Service.....	233,942	225,522	130,327
	Farmers Home Administration.....	255	255	120
	Forest Service.....	4,732	3,834	1,428

Personnel Summary

Direct:				
	Total number of full-time permanent positions.....	1,913	1,781	1,361
	Total compensable workyears:			
	Full-time equivalent employment.....	2,048	1,922	1,468
	Full-time equivalent of overtime and holiday hours.....	51	48	33
Reimbursable:				
	Total number of full-time permanent positions.....	24	26	15
	Total compensable workyears: Full-time equivalent employment.....	27	34	21

ALLOCATION ACCOUNTS

	Total number of full-time permanent positions.....	94	79	30
	Total compensable workyears: Full-time equivalent employment.....	94	79	30

GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to [carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956, as amended (16 U.S.C. 590p(b)), \$20,474,000, to remain available until expended (16 U.S.C. 590p(b)(7))] *close out activities previously funded under this account, \$6,013,000. (7 U.S.C. 2201-02; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)*

Program and Financing (in thousands of dollars)

Identification code	12-2268-0-1-302	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Cost-sharing assistance.....	11,412	11,559	.....
00.02	Cost-sharing programing and contract administration...	2,861	2,896	1,924
00.03	Technical assistance.....	6,080	6,155	4,089
00.91	Total direct program.....	20,353	20,610	6,013
01.01	Reimbursable program.....	38	60	.....
10.00	Total obligations.....	20,392	20,670	6,013
Financing:				
Offsetting collections from:				
11.00	Federal sources.....	-24	-19	.....
14.00	Non-Federal sources.....	-14	-41	.....
21.40	Unobligated balance available, start of year.....	-15	-136	.....
24.40	Unobligated balance available, end of year.....	136	.....	.....
40.00	Budget authority (appropriation).....	20,474	20,474	6,013
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	20,353	20,610	6,013
72.40	Obligated balance, start of year.....	33,977	36,799	37,603
74.40	Obligated balance, end of year.....	-36,799	-37,603	-30,032
90.00	Outlays.....	17,531	19,806	13,584

This program provides cost-share and technical services to participating landowners or operators in the Great Plains area in the development and installation of long-term conservation plans and practices for their land under contracts entered into in prior years. It is a voluntary program in 518 designated counties of 10 Great Plains States. Contracts with individual landowners range in time from 3 to 10 years.

MAIN WORKLOAD FACTORS

Program participants:	1987 actual	1988 est.	1989 est.
Number of new contracts during year.....	902	910	.....
Number of contracts serviced during year.....	6,328	6,171	1,205
Number of acres under contracts.....	12,971,802	12,262,856	2,394,546

As of September 30, 1987, there were 5,261 active contracts on hand. Co-landowners or operators finance the entire cost of installing recurring management-type practices and pay a specified part of the cost-shared practices installed on their land. Program regulations provide that cost-share rates offered in any contract shall not exceed 80 percent of the cost of installing eligible practices within the designated county. There is a cost-sharing limitation of \$35 thousand for any contract. The budget proposes termination of the Great Plains Program by the end of 1989.

Object Classification (in thousands of dollars)

Identification code	12-2268-0-1-302	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	6,048	6,092	2,694
11.3	Other than full-time permanent.....	72	84	38
11.5	Other personnel compensation.....	57	59	12
11.9	Total personnel compensation.....	6,177	6,235	2,744
12.1	Civilian personnel benefits.....	914	932	347
13.0	Benefits for former personnel.....	9	9	2,607
21.0	Travel and transportation of persons.....	164	167	23
22.0	Transportation of things.....	65	66	10
23.2	Rental payments to others.....	284	292	73
23.3	Communications, utilities, and miscellaneous charges...	286	288	72
24.0	Printing and reproduction.....	18	18	1
25.0	Other services.....	241	246	49
26.0	Supplies and materials.....	169	172	40
31.0	Equipment.....	614	625	46
41.0	Grants, subsidies, and contributions.....	11,412	11,559	.....
42.0	Insurance claims and indemnities.....		1	1
99.0	Subtotal, direct obligations.....	20,353	20,610	6,013
99.0	Reimbursable obligations.....	38	60	.....
99.9	Total obligations.....	20,392	20,670	6,013

Personnel Summary

Total number of full-time permanent positions.....	215	212	.....
Total compensable workyears:			
Full-time equivalent employment.....	224	219	40
Full-time equivalent of overtime and holiday hours.....	1	1	.....

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1010-1011; 76 Stat. 607), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and the provisions of the Agricultural and Food Act of 1981 (16 U.S.C. 3451-3461), [\$25,120,000: *Provided*, That \$1,207,000 in] \$25,020,000: *Provided*, [Loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (7 U.S.C. 3131): *Provided further*,] That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That during fiscal year 1989, no new direct loans shall be made for the Resource Conservation and Development program from the Agricultural Credit Insurance Fund of the Farmers Home Administration. (7 U.S.C. 2201-02; 16 U.S.C. 3451-3461; 33 U.S.C. 701b-11; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

General and special funds—Continued

RESOURCE CONSERVATION AND DEVELOPMENT—Continued

Program and Financing (in thousands of dollars)

Identification code	12-1010-0-1-302	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Technical assistance	17,849	19,204	19,860
00.02	Financial assistance	6,536	7,536	5,100
00.03	Loan services	75	60	60
00.91	Total direct program	24,460	26,800	25,020
01.01	Reimbursable program	1,268	2,500	2,500
10.00	Total obligations	25,728	29,300	27,520
Financing:				
Offsetting collections from:				
11.00	Federal funds	— 6	— 11	— 12
14.00	Non-Federal sources	— 1,262	— 2,489	— 2,488
17.00	Recovery of prior year obligations	— 5		
21.40	Unobligated balance available, start of year	— 1,115	— 1,680	
24.40	Unobligated balance available, end of year	1,680		
40.00	Budget authority (appropriation)	25,020	25,120	25,020
Relation of obligations to outlays:				
71.00	Obligations incurred, net	24,460	26,800	25,020
72.40	Obligated balance, start of year	10,551	10,603	11,779
74.40	Obligated balance, end of year	— 10,603	— 11,779	— 11,739
78.00	Adjustments in unexpired accounts	— 5		
90.00	Outlays	24,403	25,624	25,060

This program provides for the Department to assist States, local units of government, groups and individuals in developing area plans for resource conservation and development (RC&D). It will play an important role in the Department's Rural Development Initiative.

RC&D areas are provided technical and financial assistance to help States and local units of government prepare plans for resource development and economic improvement and to plan and install community-type conservation projects or measures. Financial contributions, loans, and other Federal assistance are used to help carry out measures specified in RC&D area plans. Loans were made through the Farmers Home Administration to qualified local organizations to help finance their share of the costs of installing the measures.

Under this proposal, the RC&D program would be continued in 1989 with additional RC&D coordinators, reduced RC&D funded cost-sharing, and no new Farmers Home Administration Loans from the Agricultural Credit Insurance Funds.

The following tabulation shows the status of RC&D areas authorized to receive technical and financial assistance.

MAIN WORKLOAD FACTORS

	1987 actual	1988 est.	1989 est.
Areas authorized at beginning of year	191	190	190
Areas authorized at end of year	190	189	189
RC&D financial assisted measures completed	174	110	72
RC&D financial assisted measures planned	76	75	70
RC&D measures completed with other than financial assistance	1,014	1,100	1,100

Object Classification (in thousands of dollars)

Identification code	12-1010-0-1-302	1987 actual	1988 est.	1989 est.
SOIL CONSERVATION SERVICE				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	10,506	11,053	11,248

11.3	Other than full-time permanent	660	694	707
11.5	Other personnel compensation	118	124	126
11.9	Total personnel compensation	11,284	11,871	12,081
12.1	Civilian personnel benefits	1,821	2,087	2,135
13.0	Benefits for former personnel	16	17	18
21.0	Travel and transportation of persons	481	515	545
22.0	Transportation of things	146	156	165
23.2	Rental payments to others	523	560	592
23.3	Communications, utilities, and miscellaneous charges	575	616	651
24.0	Printing and reproduction	58	62	65
25.0	Other services	895	1,252	1,412
25.0	Construction contracts	3,104	2,453	1,660
26.0	Supplies and materials	546	556	512
31.0	Equipment	1,182	1,095	1,153
41.0	Grants, subsidies, and contributions	3,125	4,729	3,200
99.0	Subtotal, direct obligations	23,756	25,969	24,189
99.0	Reimbursable obligations	1,268	2,500	2,500

ALLOCATION ACCOUNTS

Personnel compensation: Full-time permanent				
12.1	Civilian personnel benefits	15	14	14
21.0	Travel and transportation of persons	24	24	25
23.1	Rental payments to GSA	1	1	1
23.2	Rental payments to others	3	2	2
23.3	Communications, utilities, and miscellaneous charges	6	5	5
24.0	Printing and reproduction	1	1	1
25.0	Other services	5	3	3
26.0	Supplies and materials	5	6	6
31.0	Equipment	2	2	2
41.0	Grants, subsidies, and contributions	537	676	675
99.0	Subtotal, allocation accounts	704	831	831
99.9	Total obligations	25,728	29,300	27,520

Obligations are distributed as follows:

Soil Conservation Service	25,024	28,469	26,689
Farmers Home Administration	75	60	60
Forest Service	629	771	771

Personnel Summary

SOIL CONSERVATION SERVICE				
Direct:				
Total number of full-time permanent positions	329	343	350	
Total compensable workyears:				
Full-time equivalent employment	381	395	402	
Full-time equivalent of overtime and holiday hours	2	2	2	
Reimbursable:				
Total number of full-time permanent positions	1	2	2	
Total compensable workyears: Full-time equivalent employment	1	2	2	

ALLOCATION ACCOUNTS

Total number of full-time permanent positions	5	4	4
Total compensable workyears: Full-time equivalent employment	5	4	4

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code	12-8210-0-7-300	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations	1,285	5,664	560
Financing:				
21.40	Unobligated balance available, start of year	— 6,096	— 5,104	
24.40	Unobligated balance available, end of year	5,104		
60.00	Budget authority (appropriation) (permanent, indefinite)	292	560	560
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1,285	5,664	560
72.40	Obligated balance, start of year	390	711	4,506

74.00	Obligated balance, end of year.....	-711	-4,506	-3,197
90.00	Outlays.....	964	1,869	1,869

Funds received from State and local organizations, and others are available for work under cooperative agreements for soil survey, watershed protection, and resource conservation and development activities.

Object Classification (in thousands of dollars)

Identification code	12-8210-0-7-300	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	364	369	292
11.3	Other than full-time permanent.....	11	11	11
11.5	Other compensation.....	8	8	8
11.9	Total personnel compensation.....	383	388	311
12.1	Civilian personnel benefits.....	55	60	50
13.0	Benefits for former personnel.....	9	9	9
21.0	Travel and transportation of persons.....	1	5	4
23.2	Rental payments to others.....	17	18	19
23.3	Communications, utilities, and miscellaneous charges.....	10	10	11
24.0	Printing and reproduction.....	5	5	5
25.0	Other services.....	71	73	76
25.0	Construction contracts.....	665	5,016	58
26.0	Supplies and materials.....	17	18	15
31.0	Equipment.....	2	2	2
41.0	Grants, subsidies, and contributions.....	51	60	
99.9	Total obligations.....	1,285	5,664	560

Personnel Summary

Total number of full-time permanent positions.....	14	14	11
Total compensable workyears: Full-time equivalent employment	15	15	12

ALLOCATIONS RECEIVED FROM OTHER AGENCIES

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:

Interior: Office of Surface Mining Reclamation and Enforcement, "Abandoned mine reclamation fund."

ANIMAL AND PLANT HEALTH INSPECTION
SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c), necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; to discharge the authorities of the Secretary of Agriculture under the Act of March 2, 1931 (46 Stat. 1468; 7 U.S.C. 426-426b); and to protect the environment, as authorized by law, [\$329,330,000] \$294,243,000; of which [\$4,500,000] \$5,000,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions: *Provided*, [That \$1,000,000 of the funds for control of the fire ant shall be placed in reserve for matching purposes with States which may come into the program: *Provided further*,] That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 per centum: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed two, of which one shall be for replacement only: *Provided further*, That uniform allowances for each uniformed employee of the Animal and

Plant Health Inspection Service shall be in excess of \$400 annually: *Provided further*, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, as amended, and section 102 of the Act of September 21, 1944, as amended, and any unexpended balances of funds transferred for such emergency purposes in the next preceding fiscal year shall be merged with such transferred amounts: *Provided further*, That hereafter, the Secretary of Agriculture is authorized, except for urban rodent control, to conduct activities and to enter into agreements with States, local jurisdictions, individuals, and public and private agencies, organizations, and institutions in the control of nuisance mammals and birds and those mammal and bird species that are reservoirs for zoonotic diseases, and to deposit any money collected under any such agreement into the appropriation accounts that incur the costs to be available immediately and to remain available until expended for Animal Damage Control activities]. (10 U.S.C. 2306; 15 U.S.C. 69e, 1821-31; 16 U.S.C. 1531-43; 18 U.S.C. 1114; 19 U.S.C. 1306, 21 U.S.C. 101-105, 111-114, 114a-114c; 114d-1, 114e-131, 134-135b, 151-158; 26 U.S.C. 4491-94; 45 U.S.C. 71-74; 46 U.S.C. 466a-466b; 49 U.S.C. 1471(a)-1509(d), 1741; 46 Stat. 67; 78 Stat. 939-940; 99 Stat. 1645-1650, 1654-1656, 1658-1659; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-1600-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Plant disease and pest control.....	111,142	124,460	106,299
00.02	Animal disease and pest control.....	169,056	173,819	164,944
00.03	Animal damage control.....	22,449	24,419	13,000
00.04	Biotechnology.....		4,000	5,000
00.05	Construction of facilities.....		4	
00.06	Contingencies.....	6,857	4,500	5,000
00.91	Total direct program.....	309,504	331,202	294,243
01.01	Reimbursable program.....	22,866	22,629	34,067
10.00	Total obligations.....	332,370	353,831	328,310
Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-6,272	-6,072	-6,299
14.00	Non-Federal sources.....	-16,357	-16,544	-27,768
21.40	Unobligated balance available, start of year.....	-3,915	-1,885	
24.40	Unobligated balance available, end of year.....	1,885		
25.00	Unobligated balance lapsing.....	3,756		
40.00	Budget authority (appropriation).....	311,467	329,330	294,243
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	309,741	331,215	294,243
72.40	Obligated balance, start of year.....	66,112	57,834	58,104
74.40	Obligated balance, end of year.....	-57,834	-58,104	-53,051
77.00	Adjustments in expired accounts.....	-557		
90.00	Outlays.....	317,463	330,945	299,296

The major objectives of the Animal and Plant Health Inspection Service are to protect the animal and plant resources of the Nation from destructive pests and diseases.

Plant disease and pest control.—Through inspections at ports of entry, insects, plant diseases, nematodes and animal pests and diseases harmful to agriculture are prevented from entering this country. Cooperative programs with the States are conducted to prevent the spread of and/or to eradicate certain plant pests already established in this country. The 1989 estimates maintain support for plant disease and pest control efforts, by increasing the agricultural quarantine inspection, international programs, pest detection, and provid-

General and special funds—Continued

SALARIES AND EXPENSES—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

ing funding for Africanized bee, while decreasing the biocontrol, boll weevil, grasshopper and pink bollworm programs and eliminating the golden nematode, imported fire ant, and noxious weeds programs.

Animal disease and pest control.—Inspections and programs are conducted to keep communicable diseases of foreign origin from entering this country and to prevent the spread of diseases through interstate shipments of livestock or distribution of impure or impotent veterinary biologics. In cooperation with States, programs are directed at the control and eradication of livestock diseases present in this country. Foreign animal diseases, should they enter this country, are rapidly diagnosed and outbreaks which are of economic significance and for which the Secretary of Agriculture declares a national emergency are controlled and eradicated. The 1989 estimates propose increases for animal disease detection, international programs, and veterinary diagnostics programs and decreases for brucellosis, poultry diseases, pseudorabies, and animal welfare.

Animal damage control.—Conducted to reduce wildlife-caused damage to agricultural interests and protect land use and wildlife resource values through the maintenance of a Federal presence in cooperation with the States and other cooperators. The Department of the Interior conducted the program prior to 1986. The budget proposes a decrease for this program in 1989, which will require cooperators to pay 100 percent of operations of animal damage control costs on private lands.

Biotechnology.—This Agency has the responsibility to coordinate the development and implementation of all matters and functions pertaining to the Department's regulation of biotechnology and the responsibility to act as liaison on all matters and functions pertaining to the regulation of biotechnology between agencies within the Department, between the Department and governmental and private organizations. Additionally, this agency has been designated the lead agency within USDA for regulating and evaluating applications of biotechnologically derived products for test permits and commercial licenses. The budget proposes an increase in 1989 to bring total funding to \$5.0 million.

Construction of facilities.—In 1981, the Congress appropriated funds under a separate account to APHIS, Buildings and Facilities. The activity reflected shows obligations from prior year funds.

Contingencies.—The 1989 estimates provide a contingency fund of \$5.0 million.

Object Classification (in thousands of dollars)

Identification code	12-1600-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	118,054	128,529	117,133
11.3	Other than full-time permanent	8,093	8,529	8,142
11.5	Other personnel compensation	7,767	8,252	8,231
11.9	Total personnel compensation	133,914	145,310	133,506
12.1	Civilian personnel benefits	23,792	27,189	24,896
13.0	Benefits for former personnel	304	306	368
21.0	Travel and transportation of persons	10,791	11,361	10,441

22.0	Transportation of things	3,352	3,997	3,085
23.2	Rental payments to others	3,100	3,210	3,048
23.3	Communications, utilities, and miscellaneous charges	11,662	11,848	11,025
24.0	Printing and reproduction	633	873	859
25.0	Other services	53,995	58,166	49,121
26.0	Supplies and materials	20,669	21,412	15,215
31.0	Equipment	14,535	15,272	11,344
32.0	Land and structures		4	
Grants, subsidies, and contributions:				
41.0	Mexican-United States Commission for the Prevention of Foot-and-Mouth Disease	173	175	175
41.0	Joint United States-Mexico Screwworm Commission	21,915	19,950	19,950
41.0	Joint United States-Panama Commission; United States-Colombia Mechanism to Prevent Introduction of Foot-and-Mouth Disease at Darien Gap	1,796	1,900	1,900
41.0	Joint Commission on the Mediterranean fruit fly	4,402	3,194	3,194
Insurance claims and indemnities:				
42.0	Brucellosis	3,519	5,318	4,602
42.0	Scrapie of sheep	155	340	340
42.0	Tuberculosis	489	1,202	1,000
42.0	Insurance claims	118	175	175
42.0	Exotic new cattle	190		
99.0	Subtotal, direct obligations	309,504	331,202	294,243
99.0	Reimbursable obligations	22,866	22,629	34,067
99.9	Total obligations	332,370	353,831	328,310

Personnel Summary

Direct:				
Total number of full-time permanent positions				
	5,250	5,250	4,887	
Total compensable workyears:				
Full-time equivalent employment				
	4,999	4,999	4,653	
Full-time equivalent of overtime and holiday hours				
	110	110	110	
Reimbursable:				
Total number of full-time permanent positions				
	154	154	471	
Total compensable workyears:				
Full-time equivalent employment				
	146	146	447	
Full-time equivalent of overtime and holiday hours				
	191	191	191	

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, [§2,246,000] \$2,847,000. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-1601-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 32.0)	7,997	2,455	3,459
Financing:				
21.40	Unobligated balance available, start of year	-6,572	-821	-612
24.40	Unobligated balance available, end of year	821	612	
40.00	Budget authority (appropriation)	2,246	2,246	2,847
Relation of obligations to outlays:				
71.00	Obligations incurred, net	7,997	2,455	3,459
72.40	Obligated balance, start of year	1,932	8,133	8,342
74.40	Obligated balance, end of year	-8,133	-8,342	-9,555
90.00	Outlays	1,795	2,246	2,246

The 1989 estimates provide for construction, repairs, and alterations as needed for APHIS operated facilities, which include animal quarantine stations, border inspection stations, sterile insect rearing facilities, and laboratories.

Trust Funds**MISCELLANEOUS TRUST FUNDS****Program and Financing (in thousands of dollars)**

Identification code	12-9971-0-7-352	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Expenses and refunds, inspection, certification and quarantine of animal products.....	2	2	2
00.02	Expenses, feed, and attendants for animals in quarantine.....	1,941	1,900	1,900
00.03	Miscellaneous contributed funds.....	2,914	2,833	2,833
10.00	Total obligations.....	4,857	4,735	4,735
Financing:				
21.40	Unobligated balance available, start of year.....	-1,155	-1,384	-1,384
24.40	Unobligated balance available, end of year.....	1,384	1,384	1,384
60.00	Budget authority (appropriation) (permanent, indefinite).....	5,086	4,735	4,735
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	4,857	4,735	4,735
72.40	Obligated balance, start of year.....	458	586	586
74.40	Obligated balance, end of year.....	-586	-586	-586
90.00	Outlays.....	4,729	4,735	4,735
Distribution of budget authority by account:				
	Expenses and refunds, inspection certification and quarantine of animal products.....		2	2
	Expenses, feed, and attendants for animals in quarantine.....	2,096	1,893	1,893
	Miscellaneous contributed funds.....	2,992	2,840	2,840
Distribution of outlays by account:				
	Expenses and refunds, inspection, certification, and quarantine of animal products.....		2	2
	Expenses, feed, and attendants for animals in quarantine.....	1,914	1,893	1,893
	Miscellaneous contributed funds.....	2,814	2,840	2,840

The following services are financed by fees and miscellaneous contributions advanced by importers, manufacturers, States, organizations, individuals, and others:

Expenses and refunds, inspection, certification, and quarantine of animal products.—This includes inspection of animal hides and other animal materials to be exported. Fees are paid in advance for services to be rendered (7 U.S.C. 1621-1627) (21 U.S.C. 111).

Expenses, feed, and attendants for animals in quarantine.—Costs associated with the care of animals are paid from fees advanced by importers (21 U.S.C. 102).

Miscellaneous contributed funds.—Funds are received from States, local organizations, individuals, and others and are available for plant and animal quarantine inspection and cooperative plant and animal disease and pest control activities (7 U.S.C. 450b, 2220). Commencing with 1979, fees were collected for the importation of commercial birds.

Object Classification (in thousands of dollars)

Identification code	12-9971-0-7-352	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	1,063	1,079	1,084
11.3	Other than full-time permanent.....	414	420	422
11.5	Other personnel compensation.....	359	364	366
11.9	Total personnel compensation.....	1,836	1,863	1,872
12.1	Civilian personnel benefits.....	243	247	248
21.0	Travel and transportation of persons.....	546	516	514
22.0	Transportation of things.....	33	31	31
23.2	Rental payments to others.....	202	191	190
23.3	Communications, utilities, and miscellaneous charges.....	219	207	206
24.0	Printing and reproduction.....	2	2	2
25.0	Other services.....	1,194	1,128	1,124
26.0	Supplies and materials.....	311	294	293
31.0	Equipment.....	14	13	13

44.0	Refunds.....	257	243	242
99.9	Total obligations.....	4,857	4,735	4,735

Personnel Summary

Total number of full-time permanent positions.....	63	63	63
Total compensable workyears:			
Full-time equivalent employment.....	59	59	59
Full-time equivalent of overtime and holiday hours.....	7	7	7

FEDERAL GRAIN INSPECTION SERVICE**Federal Funds****General and special funds:****SALARIES AND EXPENSES**

For necessary expenses to carry out the provisions of the United States Grain Standards Act, as amended, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, as amended, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$20,000 for employment under 5 U.S.C. 3109, [\$7,020,000] \$8,255,000: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building: *Provided further*, That none of the funds provided by this Act may be used to pay the salaries of any person or persons who require, or who authorize payments from fee-supported funds to any person or persons who require nonexport, nonterminal interior elevators to maintain records not involving official inspection or official weighing in the United States under Public Law 94-582 other than those necessary to fulfill the purposes of such Act. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2400-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations.....	6,702	7,020	8,255
Financing:				
25.00	Unobligated balance lapsing.....	123		
40.00	Budget authority (appropriation).....	6,826	7,020	8,255
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	6,702	7,020	8,255
72.40	Obligated balance, start of year.....	1,509	1,366	1,419
74.40	Obligated balance, end of year.....	-1,366	-1,419	-1,623
77.00	Adjustments in expired accounts.....	33		
90.00	Outlays.....	6,879	6,967	8,051

The FGIS provides for the establishment of official United States standards for grain, promotes the uniform application thereof by official inspection personnel, provides for an official inspection system for grain, and regulates the weighing and certification of the weight of grain shipped in interstate or foreign commerce as authorized by the U.S. Grain Standards Act (USGSA), as amended, and the regulations thereof, and the Agricultural Marketing Act of 1946 (AMA).

Standardization activities include establishing and updating U.S. grain standards and research and developing and improving methods to ensure the accurate and uniform application of the standards.

The compliance activities ensure the accurate and uniform application of the USGSA and applicable provisions of the AMA. The compliance program functions include: (1) evaluating alleged violations and initiating

General and special funds—Continued

SALARIES AND EXPENSES—Continued

preliminary investigations; initiating the implementation of corrective actions; (2) conducting management and technical reviews; (3) administering the designations and delegations of State and private agencies to perform official functions and monitoring the performance of the agencies; (4) identifying and, where appropriate, waiving and monitoring conflicts of interest; (5) licensing personnel of delegated States and designated agencies; (6) registering persons/firms engaged in the business of buying grain for sale in foreign commerce, and in the business of handling, weighing, or transporting of grain for sale in foreign commerce; (7) responding to audits of FGIS programs; and (8) reviewing and, when appropriate, approving official agencies' fee schedules.

The International Monitoring Staff briefs foreign buyers, assesses foreign inspection and weighing techniques, and responds to foreign quality and quantity complaints.

An advisory committee consisting of members from the grain industry exists to advise the agency regarding efficient and economical implementations of the USGSA.

The Grain Quality Improvement Act of 1986 was enacted on November 10, 1986, to improve the quality of U.S. grain by prohibiting the introduction and reintroduction of dockage and foreign material to grain. FGIS has drafted action plans for implementing the provisions of a new law which became effective May 1, 1987.

	1987 actual	1988 est.	1989 est.
U.S. standards in effect at end of year	20	18	18
New and revised standards issued during fiscal year	13	4	4
Standards reviews in progress	16	5	4
Standards reviews completed	16	4	4
Inspection techniques developed	14	9	9
Equipment evaluated	12	8	8
On-site investigations	14	12	14
Designations renewed	22	27	27
Registration certificates issued	98	110	110

Object Classification (in thousands of dollars)

Identification code	12-2400-0-1-352	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent	3,822	3,862	5,415
11.3	Other than full-time permanent	13	24	28
11.5	Other personnel compensation	42	68	64
11.9	Total personnel compensation	3,877	3,954	5,507
12.1	Civilian personnel benefits	553	726	735
13.0	Benefits for former personnel	62	22	68
21.0	Travel and transportation of persons	315	236	397
22.0	Transportation of things	34	31	20
23.2	Rental payments to others	21	18	24
23.3	Communications, utilities, and miscellaneous charges	204	277	332
24.0	Printing and reproduction	32	23	87
25.0	Other services	1,191	1,357	885
26.0	Supplies and materials	141	134	118
31.0	Equipment	272	242	82
99.9	Total obligations	6,702	7,020	8,255

Personnel Summary

Total number of full-time permanent positions	96	96	96
Total compensable workyears: Full-time equivalent employment	109	108	108

Public enterprise funds:

INSPECTION AND WEIGHING SERVICES

LIMITATION ON INSPECTION AND WEIGHING EXPENSES

Not to exceed \$36,856,000 (from fees collected) shall be obligated during the current fiscal year for Inspection and Weighing Services. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-4050-0-3-352	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations	29,404	36,856	36,856
Financing:				
14.00	Offsetting collections from: Non-Federal sources	-33,066	-36,856	-36,856
21.98	Unobligated balance available, start of year: Fund balance	-8,714	-10,376	-10,376
24.98	Unobligated balance available, end of year: Fund balance	10,376	10,376	10,376
27.00	Capital transfer to general fund	2,000		
39.00	Budget authority			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	-3,662		
72.98	Obligated balance, start of year: Fund balance	-1,287	-1,978	-1,978
74.98	Obligated balance, end of year: Fund balance	1,978	1,978	1,978
90.00	Outlays	-2,971		

The Federal Grain Inspection Service provides a uniform system for the inspection and weighing of grain. Services provided under this system are financed through a fee supported revolving fund.

Fee supported programs include direct services, supervision activities and administrative functions. Direct services include official grain inspection and weighing by FGIS employees at certain export ports as well as the inspection of U.S. grain shipped through Canada. FGIS supervises the inspection and weighing activities performed by its own employees. The agency also oversees the inspection and weighing of grain performed by employees of 8 delegated States and 80 designated State and private agencies. FGIS provides an appeal service of original grain inspections and a registration system for grain exporting firms. Through support from the Association of American Railroads and user fees, FGIS conducts a railroad track scale testing program. In addition, the agency provides grading services on request for rice and grain related products under the authority of the Agricultural Marketing Act of 1946 (AMA).

	1987 actual	1988 est.	1989 est.
Export grain inspected and weighed (million metric tons):			
By Federal personnel	77.7	85.7	85.7
By delegated States	20.5	22.6	22.6
Quantity of grain inspected (all official inspections) million metric tons	283.1	293.3	293.3
Number of inspections and reinspections:			
By Federal personnel	217,072	217,000	217,000
By delegated state/official agency licenses	3,119,253	3,119,000	3,119,000
Number of appeals	16,976	17,000	17,000
Number of appeals carried to the Board of Appeals and Review	3,333	3,000	3,000
Quantity of rice inspected (million metric tons)	4.1	4.1	4.1
Quantity of rice exports (million metric tons)	2.4	2.3	2.3

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss: Inspection and weighing services:			
Revenue	33,066	36,856	36,856
Expense	-29,404	-36,856	-36,856
Net income or loss (—) for the year ¹	3,662		

¹ This amount reflects prior year transactions recorded in 1987. Program operations for fiscal year 1987 generated obligations of \$29,516,751 and revenues of \$32,381,698 resulting in a positive margin of \$2,864,897.

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Selected assets:				
Fund balance with Treasury	4,332	3,398	3,398	3,398
Investments, U.S. securities (par)	3,095	5,000	5,000	5,000
Accounts receivable (net)	3,770	4,469	4,469	4,469
Total assets	11,197	12,867	12,867	12,867
Liabilities:				
Selected liabilities:				
Accounts payable and accrued liabilities	2,483	2,491	2,491	2,491
Government equity:				
Selected equities:				
Unobligated balance (total Government equity)	8,714	10,376	10,376	10,367

Object Classification (in thousands of dollars)

Identification code	12-4050-0-3-352	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1 Full-time permanent		15,005	19,304	19,890
11.3 Other than full-time permanent		997	796	1,428
11.5 Other personnel compensation		3,852	4,090	3,482
11.9 Total personnel compensation		19,854	24,190	24,800
12.1 Civilian personnel benefits		2,447	2,692	2,877
13.0 Benefits for former personnel		292	328	315
21.0 Travel and transportation of persons		849	1,081	1,039
22.0 Transportation of things		91	117	87
23.1 Rental payments to GSA		332	679	684
23.2 Rental payments to others		288	360	362
23.3 Communications, utilities, and miscellaneous charges		1,185	1,485	1,497
24.0 Printing and reproduction		89	154	152
25.0 Other services		3,192	3,961	4,029
26.0 Supplies and materials		433	431	484
31.0 Equipment		349	1,369	523
42.0 Insurance claims and indemnities		3	9	7
99.9 Total obligations		29,404	36,856	36,856

Personnel Summary

Total number of full-time permanent positions	590	590	590
Total compensable workyears:			
Full-time equivalent employment	660	660	660
Full-time equivalent of overtime and holiday hours	91	100	100

AGRICULTURAL MARKETING SERVICE

Federal Funds

General and special funds:

MARKETING SERVICES

For necessary expenses to carry on services related to consumer protection, agricultural marketing and distribution and regulatory programs as authorized by law, [and for administration and coordination of payments to States;] including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$70,000 for employment under 5 U.S.C. 3109, [\$32,409,000; of which not less than \$1,591,000, shall be available for the Wholesale Market Development Program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country] \$33,087,000. *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building. (5 U.S.C. 5542; 15 U.S.C. 714-714p; 21 U.S.C. 1031-56; 26 U.S.C. 4851-54, 4861-65, 4871-77, 6804, 7233, 7263, 7492-93, 7701; 31 U.S.C. 725d; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed [\$30,628,000] \$31,701,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2500-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01 Market news service		14,143	15,065	16,167
00.02 Inspection and standardization		12,670	13,700	14,146
00.03 Market protection and promotion		1,844	2,053	1,758
00.04 Wholesale market development		1,476	1,591	1,016
00.91 Total direct program		30,133	32,409	33,087
01.01 Reimbursable program		26,384	39,230	33,709
10.00 Total obligations		56,517	71,639	66,796
Financing:				
Offsetting collections from:				
11.00 Federal funds		-406	-321	-321
Non-Federal sources:				
14.00 User fees		-24,038	-30,628	-31,701
14.00 Miscellaneous reimbursements		-1,464	-1,687	-1,687
21.40 Unobligated balance available, start of year		-7,069	-6,594	-6,594
24.40 Unobligated balance available, end of year		6,594		
25.00 Unobligated balance lapsing		1,302		
40.00 Budget authority (appropriation)		31,435	32,409	33,087
Relation of obligations to outlays:				
71.00 Obligations incurred, net		30,609	39,003	33,087
72.10 Receivables in excess of obligations, start of year		-7,646		
72.40 Obligated balance, start of year			2,459	15,977
74.40 Obligated balance, end of year		-2,459	-15,977	-16,311
77.00 Adjustments in expired accounts		-1,589		
90.00 Outlays		18,915	25,485	32,753

AMS activities assist producers and handlers of agricultural commodities by providing a variety of marketing services. These services continue to become more complex as the volume of agricultural commodities increases, as a greater number of new processed commodities are developed, and as the agricultural market structure undergoes extensive changes. Marketing changes include increased concentration in food retailing, direct buying, decentralization of processing, growth of interregional competition, vertical integration, and contract farming. The individual activities include:

Market news service.—The market news program provides the agricultural community with information pertaining to the movement of agricultural products. This nationwide service provides daily reports on the supply, demand and price of over 400 commodities throughout the country.

Inspection, grading and standardization.—Nationally uniform standards of quality for agricultural products are established and applied to specific lots of products to: promote confidence between buyers and sellers; reduce hazards in marketing due to misunderstandings and disputes arising from the use of nonstandard descriptions; encourage better preparation of uniform quality products for market; and furnish consumers with more definite information on the quality of products they buy. Grading services are provided for cotton and domestic and imported tobacco.

Continuous in-plant inspection of all plants manufacturing liquid, frozen or dried egg products is provided

General and special funds—Continued

MARKETING SERVICES—Continued

LIMITATION ON ADMINISTRATIVE EXPENSES—Continued

with quarterly inspection of egg handlers and hatcheries to ensure the proper disposition of shell eggs unfit for human consumption. Imported egg products are controlled to make certain that the inspection systems in exporting countries have standards equal to those of the United States.

A uniform government food specification system is maintained to provide a more efficient Federal food procurement service.

COTTON AND TOBACCO USER FEE PROGRAM

	1987 actual	1988 est.	1989 est.
Cotton classed (samples in thousands).....	10,231	13,057	12,257
Cottonseed grade certificates issued (in thousands).....	26	35	30
Tobacco auction markets (million pounds).....	1,389	1,367	1,367
Imported tobacco inspected at markets and ports of entry (million pounds).....	210	200	200

FEDERALLY FUNDED INSPECTION AND PROCUREMENT ACTIVITIES

	1987 actual	1988 est.	1989 est.
Federally inspected establishments: Egg products plants.....	92	94	94
Federally inspected production (billion pounds): Egg products.....	1.4	1.5	1.6
States and Commonwealths with cooperative agreements: Egg products inspection.....	52	52	52
Laboratory services (samples analyzed):			
Food chemistry and microbiology.....	41,670	42,200	42,350
Chemical residues.....	562	575	575

STANDARDIZATION ACTIVITIES

	1987 actual	1988 est.	1989 est.
International and U.S. standards in effect, end of fiscal year.....	639	637	637
Number of commodities covered.....	191	192	193
Standards revised.....	53	11	14

Market protection and promotion.—This program consists of: (1) the research and promotion programs which are designed to improve the competitive position and expand markets for cotton, eggs, and egg products, honey, pork, beef, milk and dairy products, mohair, and potatoes; (2) the Federal Seed Act, and the Plant Variety Protection Act; and (3) the administration of the Capper-Volstead Act and the Agricultural Fair Practices Act.

Amendments to the 1985 Food Security Act provided legislative authority for the beef, pork, and watermelon research and promotion programs. Assessments on producers to fund the beef and pork programs began in 1986. Hearings on the watermelon program were held in February and March of 1987. A recommendation based upon the hearings is being finalized by AMS. If approved by producers, the program provisions will go into effect in 1988.

Federal seed inspectors have conducted tests on samples to help ensure truthful labeling of agricultural and vegetable seeds sold in interstate commerce. This program is proposed for elimination in 1989. Plant variety protection provides for the issuance of certificates to ensure that developers of novel varieties of sexually reproduced plants have exclusive rights to sell, reproduce, import and export such varieties for a period of 18 years. This program was transferred to User Fees in 1988. Appropriations will continue until the transition is completed.

The Capper-Volstead Act and the Agricultural Fair Practices Act protect producers against discriminatory practices by handlers, permit producers to engage in

cooperative efforts, and ensure that such cooperatives do not engage in practices that monopolize or restrain trade.

MARKET PROTECTION AND PROMOTION ACTIVITIES

	1987 actual	1988 est.	1989 est.
Seed Act:			
Interstate investigations:			
Completed.....	683	700	.....
Pending.....	594	600	.....
Seed samples tested.....	3,614	3,400	.....
Plant Variety Protection Act:			
Number of applications received.....	214	.....	.....
Certificates of protection issued.....	205	137	137
Research and promotion collections (dollars in millions):			
Beef.....	43.0	43.0	43.0
Cotton.....	26.0	37.0	34.8
Dairy—MMO.....	14.0	14.4	14.8
Dairy—National.....	78.3	79.1	81.6
Honey.....	1.6	1.9	1.9
Pork.....	22.0	20.0	18.0
Egg.....	6.8	4.0	4.0
Potato.....	5.6	5.7	5.7

Wholesale market development.—This program is designed to enhance the marketing of agricultural commodities in the United States by conducting research into more efficient marketing methods for agricultural commodities and by providing technical assistance to urban areas interested in improving their food distribution facilities.

WHOLESALE MARKET DEVELOPMENT ACTIVITIES

	1987 actual	1988 est.	1989 est.
Studies and projects completed.....	7	5	.....

For 1989, the Wholesale Market Development program is proposed for elimination.

Object Classification (in thousands of dollars)

Identification code	12-2500-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1 Full-time permanent.....		17,066	19,142	18,164
11.3 Other than full-time permanent.....		624	546	523
11.5 Other personnel compensation.....		142	72	67
11.9 Total personnel compensation.....		17,832	19,760	18,754
12.1 Civilian personnel benefits.....		2,741	3,197	3,227
13.0 Benefits for former personnel.....		58	78	1,201
21.0 Travel and transportation of persons.....		1,158	1,411	1,375
22.0 Transportation of things.....		82	102	104
23.2 Rental payments to others.....		267	270	281
23.3 Communications, utilities, and miscellaneous charges.....		2,325	2,353	2,442
24.0 Printing and reproduction.....		137	159	157
25.0 Other services.....		3,946	4,055	4,629
26.0 Supplies and materials.....		559	554	537
31.0 Equipment.....		980	470	380
42.0 Insurance claims and indemnities.....		47	.....	.....
43.0 Interest and dividends.....		1	.....	.....
99.0 Subtotal, direct obligations.....		30,133	32,409	33,087
99.0 Reimbursable obligations.....		26,384	39,230	33,709
99.9 Total obligations.....		56,517	71,639	66,796

Personnel Summary

Direct:			
Total number of full-time permanent positions.....	605	651	611
Total compensable workyears:			
Full-time equivalent employment.....	632	669	631
Full-time equivalent of overtime and holiday hours.....	3	2	2
Reimbursable:			
Total number of full-time permanent positions.....	202	205	205
Total compensable workyears:			
Full-time equivalent employment.....	534	538	538
Full-time equivalent of overtime and holiday hours.....	32	43	43

[PAYMENTS TO STATES AND POSSESSIONS]

[For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$942,000.] (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-2501-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0).....	916	942	.....
Financing:				
25.00	Unobligated balance lapsing.....	26	.....	.....
40.00	Budget authority (appropriation).....	942	942	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	916	942	.....
72.40	Obligated balance, start of year.....	749	858	917
74.40	Obligated balance, end of year.....	-858	-917	.....
77.00	Adjustments in expired accounts.....	-44	.....	.....
90.00	Outlays.....	763	883	917

Grants are made on a matching fund basis to State departments of agriculture to carry out specifically approved programs designed to enhance marketing efficiency. Under this activity, specialists have worked with farmers, marketing firms, and other agencies in solving marketing problems and in using research results. Since State agencies are now able to carry on these activities by themselves, no program is being proposed in 1989.

PERISHABLE AGRICULTURAL COMMODITIES ACT FUND**Program and Financing (in thousands of dollars)**

Identification code	12-5070-0-2-352	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations.....	4,057	5,329	5,329
Financing:				
21.40	Unobligated balance available, start of year.....	-563	-340	-340
24.40	Unobligated balance available, end of year.....	340	340	340
60.00	Budget authority (appropriation) (permanent, indefinite, special fund).....	3,834	5,329	5,329
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	4,057	5,329	5,329
72.10	Receivables in excess of obligations, start of year.....	-8	-147	-147
74.10	Receivables in excess of obligations, end of year.....	147	147	147
90.00	Outlays.....	4,197	5,329	5,329

License fees are deposited in this special fund and are used to meet the costs of administering the Perishable Agricultural Commodities and the Produce Agency Acts (7 U.S.C. 491-497, 499a-499s). The current annual license fee is set at \$300 plus \$150 for each additional business facility operated by the applicant in excess of nine facilities, up to a maximum of \$3,000.

The Acts are intended to ensure equitable treatment to farmers and others in the marketing of fresh and frozen fruits and vegetables. Commission merchants, dealers, and brokers handling these products in interstate and foreign commerce are licensed. Complaints of violations are investigated and violations dealt with by (a) informal agreements between the two parties, (b) formal decisions involving payment of reparation

awards, and/or (c) suspension or revocation of license and/or publication of the facts.

A 1984 amendment to the Perishable Agricultural Commodities Act requires traders to have trust assets on hand to meet their obligations to fruit and vegetable suppliers. To preserve their trust and establish their rights ahead of other creditors, unpaid suppliers file notice with both the Department and their debtors that payment is due.

Object Classification (in thousands of dollars)

Identification code	12-5070-0-2-352	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	2,449	3,148	3,148
11.3	Other than full-time permanent.....	48	57	57
11.5	Other personnel compensation.....	47	58	58
11.9	Total personnel compensation.....	2,544	3,263	3,263
12.1	Civilian personnel benefits.....	495	691	691
13.0	Benefits for former personnel.....	18	18	18
21.0	Travel and transportation of persons.....	279	332	332
22.0	Transportation of things.....	46	59	59
23.1	Rental payments to GSA.....	169	183	183
23.2	Rental payments to others.....	32	56	56
23.3	Communications, utilities, and miscellaneous charges.....	205	236	236
24.0	Printing and reproduction.....	26	38	38
25.0	Other services.....	157	330	330
26.0	Supplies and materials.....	57	78	78
31.0	Equipment.....	29	45	45
99.9	Total obligations.....	4,057	5,329	5,329

Personnel Summary

Total number of full-time permanent positions.....	112	123	123
Total compensable workyears:			
Full-time equivalent employment.....	107	121	121
Full-time equivalent of overtime and holiday hours.....	1	1	1

**FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY
(SECTION 32)****(INCLUDING TRANSFERS OF FUNDS)**

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than \$7,601,000] \$7,911,000 for formulation and administration of Marketing Agreements and Orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961. (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-5209-0-2-605	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
Commodity program payments:				
00.01	Child nutrition program purchases.....	350,118	350,900	350,900
00.02	Emergency surplus removal.....	12,054	27,000	.....
00.03	Disaster relief.....	.....	6,000	.....
00.04	Sunflower oil purchase.....	.....	10,000	.....
00.91	Subtotal, Commodity program payments.....	362,172	393,900	350,900
01.01	Administrative expenses.....	9,455	10,652	11,140
01.92	Total direct program.....	371,627	404,552	362,040
02.01	Reimbursable program.....	296	282	282
10.00	Total obligations.....	371,923	404,834	362,322
Financing:				
11.00	Offsetting collections from: Federal funds.....	-296	-282	-282
21.40	Unobligated balance available, start of year.....	-158,931	-221,589	-183,779

General and special funds—Continued

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY
(SECTION 32)—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-5209-0-2-605	1987 actual	1988 est.	1989 est.
24.40	Unobligated balance available, end of year.....	221,589	183,779	225,000
39.00	Budget authority.....	434,285	366,742	403,261
Budget authority:				
60.00	Appropriation (permanent, indefinite) (special fund).....	3,787,648	4,240,882	4,552,833
61.00	Transferred to other accounts.....	-3,353,363	-3,874,140	-4,149,572
63.00	Appropriation (adjusted).....	434,285	366,742	403,261
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	371,627	404,552	362,040
72.40	Obligated balance, start of year.....	36,007	16,631	16,631
74.40	Obligated balance, end of year.....	-16,631	-16,631	-16,631
90.00	Outlays.....	391,003	404,552	362,040

Under section 32 of the act of August 24, 1935, as amended (7 U.S.C. 612c), an amount equal to 30 percent of customs receipts collected during each calendar year is automatically appropriated for expanding outlets for nonbasic commodities. An amount equal to 30 percent of receipts collected on fishery products is transferred to the Department of Commerce. Most of the funds are transferred to the Food and Nutrition Service and are used to purchase commodities under section 6 of the National School Lunch Act and other authorities specified in the child nutrition appropriation. If unforeseen commodity surpluses should develop, unobligated reserve balances are available for surplus removal.

Object Classification (in thousands of dollars)

Identification code	12-5209-0-2-605	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	4,312	5,007	5,036
11.3	Other than full-time permanent.....	162	166	167
11.5	Other personnel compensation.....	74	51	51
11.9	Total personnel compensation.....	4,548	5,224	5,254
12.1	Civilian personnel benefits.....	596	823	873
13.0	Benefits for former personnel.....	6	15	16
21.0	Travel and transportation of persons.....	195	209	227
22.0	Transportation of things.....	.....	6	7
22.0	Transportation of things: Commodities.....	19,295	20,675	18,700
23.1	Rental payments to GSA.....	369	382	418
23.2	Rental payments to others.....	21	25	25
23.3	Communications, utilities, and miscellaneous charges.....	662	710	760
24.0	Printing and reproduction.....	425	452	493
25.0	Other services.....	2,432	2,578	2,821
25.0	Other services: Commodities.....	566	440	400
26.0	Supplies and materials.....	88	110	119
26.0	Supplies and materials: Grants of commodities to States.....	342,311	372,785	331,800
31.0	Equipment.....	112	118	127
42.0	Insurance claims and indemnities.....	1	.....	.....
99.0	Subtotal, direct obligations.....	371,627	404,552	362,040
99.0	Reimbursable obligations.....	296	282	282
99.9	Total obligations.....	371,923	404,834	362,322

Personnel Summary

Direct:			
Total number of full-time permanent positions.....	130	145	145
Total compensable workyears:			
Full-time equivalent employment.....	133	147	147

Full-time equivalent of overtime and holiday hours.....	2	1	1
Reimbursable:			
Total compensable workyears: Full-time equivalent employment.....	5	5	5

Trust Funds

MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code	12-9972-0-7-352	1987 actual	1988 est.	1989 est.
Program by activities:				
Expenses and refunds, inspection and grading of farm products:				
00.01	Dairy products.....	8,967	11,353	11,353
00.02	Fruits and vegetables.....	33,723	34,443	34,443
00.03	Meat grading.....	19,276	19,553	19,553
00.04	Poultry products.....	18,470	19,478	19,478
00.05	Miscellaneous agricultural commodities.....	223	209	209
00.11	Price support assessments.....	723	943	943
10.00	Total obligations.....	81,382	85,979	85,979
Financing:				
21.40	Unobligated balance available, start of year: Fund balance.....	-9,654	-13,774	-13,774
24.40	Unobligated balance available, end of year.....	13,774	13,774	13,774
60.00	Budget authority (appropriation) (permanent, indefinite).....	85,502	85,979	85,979
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	81,382	85,979	85,979
72.10	Receivables in excess of obligations, start of year.....	-13,072	.....	.....
72.98	Obligated balance, start of year.....	.....	2,618	2,618
74.98	Obligated balance, end of year: Fund balance.....	-2,618	-2,618	-2,618
90.00	Outlays.....	65,692	85,979	85,979

Expenses and refunds, inspection and grading of farm products.—The commodity inspection and grading programs provide grading, examination, and certification services for a wide variety of fresh and processed food commodities using federally approved grade standards and purchase specifications. Commodities graded include poultry, livestock, meat, dairy products, and fresh and processed fruits and vegetables. These programs use official grade standards which reflect the relative quality of a particular food commodity based on laboratory testing and characteristics such as taste, color, weight and physical condition. Producers voluntarily request grading and certification services which are provided on a fee for service basis.

	1987 actual	1988 est.	1989 est.
Livestock graded (million pounds).....	47	110	110
Poultry products graded (includes rabbits—million pounds).....	14,276	15,265	15,965
Shell eggs graded (million dozens).....	1,725	1,700	1,680
Poultry accepted (million pounds).....	1,761	1,840	1,930
Eggs accepted (million dozens).....	467	450	440
Meat graded (million pounds).....	12,200	12,500	13,000
Meat accepted (million pounds).....	850	850	850
Processed fruits and vegetables inspected (million pounds).....	13,700	13,900	14,000
Fresh fruits and vegetables inspected (million pounds).....	71,500	72,300	73,100
Dairy products graded (million pounds).....	3,493	4,208	3,325
Market reports issued (in thousands).....	2,284	2,490	2,480
Plant variety protection (applications received).....	.....	191	193

Object Classification (in thousands of dollars)

Identification code	12-9972-0-7-352	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	42,230	45,271	45,271
11.3	Other than full-time permanent.....	5,512	5,328	5,328
11.5	Other personnel compensation.....	5,931	6,782	6,782
11.9	Total personnel compensation.....	53,673	57,381	57,381

12.1	Civilian personnel benefits	8,491	8,990	8,990
13.0	Benefits for former personnel	268	126	126
21.0	Travel and transportation of persons	5,319	5,573	5,573
22.0	Transportation of things	303	148	148
23.1	Rental payments to GSA	1,222	1,370	1,370
23.2	Rental payments to others	286	304	304
23.3	Communications, utilities, and miscellaneous charges	1,658	1,714	1,714
24.0	Printing and reproduction	521	503	503
25.0	Other services	7,985	8,507	8,507
26.0	Supplies and materials	729	800	800
31.0	Equipment	547	563	563
33.0	Investments and loans	299	.....	.....
42.0	Insurance claims and indemnities	80	.....	.....
43.0	Interest and dividends	1	.....	.....
99.9	Total obligations	81,382	85,979	85,979

Personnel Summary

Total number of full-time permanent positions	1,697	1,695	1,695
Total compensable workyears:			
Full-time equivalent employment	1,972	1,914	1,891
Full-time equivalent of overtime and holiday hours	166	182	182

MILK MARKET ORDERS ASSESSMENT FUND

Program and Financing (in thousands of dollars)

Identification code 12-8412-0-8-351	1987 actual	1988 est.	1989 est.
Program by activities:			
00.01 Administration	27,557	30,195	31,508
00.02 Marketing service	4,486	4,915	5,357
10.00 Total obligations	32,043	35,110	36,865
Financing:			
Offsetting collections from: Non-Federal sources:			
14.00 Administration	-23,942	-28,491	-29,916
14.00 Marketing service	-4,275	-4,844	-5,086
14.00 Interest	-2,131	-1,775	-1,863
21.98 Unobligated balance available, start of year: Fund balance	-22,065	-20,370	-20,370
24.98 Unobligated balance available, end of year: Fund balance	20,370	20,370	20,370
39.00 Budget authority .....	.....	.....	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net	1,695	.....	.....
72.10 Receivables in excess of obligations, start of year .....	.....	.....	-827
72.98 Obligated balance, start of year: Fund balance	535	2,230	.....
74.10 Receivables in excess of obligations, end of year .....	.....	827	827
74.98 Obligated balance, end of year: Fund balance	-2,230	.....	.....
90.00 Outlays .....	.....	3,057	.....

Note.—The administration fund totals are comprised of 43 separate independent order accounts in 1987. The Marketing Service fund totals are comprised of 41 separate independent order accounts in 1987.

The Secretary of Agriculture is authorized by the Agricultural Marketing Agreement Act of 1937, as amended—under certain conditions—to issue Federal milk marketing orders establishing minimum prices which handlers are required to pay for milk purchased from producers.

Market administrators are appointed by the Secretary and are responsible for carrying out the terms of specific marketing orders. Their operating expenses, partly financed by assessments on regulated handlers and partly by deductions from producers, are reported in these schedules. These funds are collected locally, deposited in local banks, and disbursed directly by the market administrator.

The expenses of each local office are met from an administrative fund and a marketing service fund which are prescribed in each order. The administrative fund is derived from prorated handler assessments. The

marketing service fund of the individual order provides for the expense of disseminating market information to producers who are not members of a qualified cooperative. It also provides for the verification of the weights, sampling, and testing of milk from these producers. The cost of these services is borne by such producers.

The maximum rates for administrative assessment and for marketing services are set forth in each order and adjustments below these rates are made from time to time upon recommendations by the market administrator and upon approval of the Agricultural Marketing Service to provide reserves at about a 6-month operating level. Upon termination of any order, the statute provides for distributing the proceeds from net assets pro rata to contributing handlers or producers as the case may be.

As of October 1, 1987, as required by the Food Security Act of 1985 and the Food Security Improvements Act of 1986, the Agricultural Marketing Service, as agent for the Commodity Credit Corporation, collected over \$735 million by charging 52, 40 and 25 cents per hundredweight during the applicable months on all milk produced in the forty-eight contiguous States and marketed by producers for commercial use. These funds were used to partially offset the costs of the Dairy Termination Program.

Milk sold by regulated handlers supplied almost 178 million persons in calendar year 1986.

Revenue and Expense (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Operating income or loss (—):			
Administrative fund:			
Revenue	23,942	28,491	29,916
Expense	-27,557	-30,195	-31,508
Net operating income or loss (—), administrative fund ..	-3,615	-1,704	-1,592
Marketing service fund:			
Revenue	4,275	4,844	5,086
Expense	-4,486	-4,915	-5,357
Net operating income or loss (—), marketing service fund	-211	-71	-271
Net operating income or loss (—), total	-3,826	-1,775	-1,863
Nonoperating income:			
Interest revenue	2,131	1,775	1,863
Net loss for the year	-1,695	.....	.....

Financial Condition (in thousands of dollars)

	1986 actual	1987 actual	1988 est.	1989 est.
Assets:				
Selected assets:				
Cash in banks	18,500	13,782	17,564	17,564
U.S. securities (par value)	4,100	8,818	1,979	1,979
Accounts receivable, net	1,867	283	3,340	3,340
Total assets	24,467	22,883	22,883	22,883
Liabilities:				
Selected liabilities: Accounts payable and accrued liabilities	2,402	2,513	2,513	2,513
Government equity:				
Selected equities:				
Unobligated balance	22,065	20,370	20,370	20,370
Property	3,391	3,938	3,938	3,938
Total Government Equity (end of year) ..	25,456	24,308	24,308	24,308

General and special funds—Continued

MILK MARKET ORDERS ASSESSMENT FUND—Continued

Object Classification (in thousands of dollars)

Identification code	12-8412-0-8-351	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	20,682	23,447	24,619
11.3	Other than full-time permanent.....	121	136	142
11.5	Other personnel compensation.....	14	15	16
11.9	Total personnel compensation.....	20,817	23,598	24,777
12.1	Civilian personnel benefits.....	2,973	3,047	3,199
21.0	Travel and transportation of persons.....	2,142	2,175	2,284
23.2	Rental payments to others.....	2,335	2,032	2,134
23.3	Communications, utilities, and miscellaneous charges.....	1,766	1,781	1,870
25.0	Other services.....	258	261	274
26.0	Supplies and materials.....	842	885	929
31.0	Equipment.....	910	1,331	1,398
99.9	Total obligations.....	32,043	35,110	36,865

Personnel Summary ¹

Total number of full-time permanent positions.....	584	600	609
Total compensable workyears: Full-time equivalent employment.....	578	567	567

¹ Excludes New York-New Jersey order operated under Federal and State orders.

OFFICE OF TRANSPORTATION

Federal Funds

General and special funds:

OFFICE OF TRANSPORTATION

For necessary expenses to carry on services related to agricultural transportation programs as authorized by law; including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$20,000 for employment under 5 U.S.C. 3109, [\$2,397,000: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building] \$1,395,000. (7 U.S.C. 1291, 1621-27; 49 U.S.C. 1653; *Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-2800-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Direct program.....	2,363	2,397	1,395
01.01	Reimbursable program.....	70	25	.....
10.00	Total obligations.....	2,433	2,422	1,395
Financing:				
11.00	Offsetting collections from: Federal funds.....	-70	-25	.....
25.00	Unobligated balance lapsing.....	34	.....	.....
40.00	Budget authority (appropriation).....	2,397	2,397	1,395
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	2,363	2,397	1,395
72.40	Obligated balance, start of year.....	350	443	455
74.40	Obligated balance, end of year.....	-443	-455	-276
77.00	Adjustments in expired accounts.....	23	.....	.....
90.00	Outlays.....	2,293	2,385	1,574

The principal purpose of the Office of Transportation is to facilitate an efficient domestic and international transportation system for U.S. agricultural products. This is done by providing assistance to exporters and firms by helping to solve international transportation problems relating to agriculture; assisting agricultural shippers and carriers in the new deregulation environ-

ment; and providing technical assistance to producers, producer groups, and rural communities to help them solve specific transport problems. Because the process of deregulation of the transportation industry is virtually complete, this program is proposed for termination at the end of 1989.

Object Classification (in thousands of dollars)

Identification code	12-2800-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	1,526	1,513	894
11.3	Other than full-time permanent.....	6	.....	.....
11.5	Other personnel compensation.....	25	25	.....
11.9	Total personnel compensation.....	1,557	1,538	894
12.1	Civilian personnel benefits.....	173	207	122
13.0	Benefits for former personnel.....	.....	.....	174
21.0	Travel and transportation of persons.....	93	72	15
23.3	Communications, utilities, and miscellaneous charges.....	85	72	61
24.0	Printing and reproduction.....	11	35	.....
25.0	Other services.....	364	421	124
26.0	Supplies and materials.....	23	34	5
31.0	Equipment.....	56	18	.....
99.0	Subtotal, direct obligations.....	2,363	2,397	1,395
99.0	Reimbursable obligations.....	70	25	.....
99.9	Total obligations.....	2,433	2,422	1,395

Personnel Summary

Total number of full-time permanent positions.....	41	36	.....
Total compensable workyears: Full-time equivalent employment.....	35	35	20

FOOD SAFETY AND INSPECTION SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses to carry on services authorized by the Federal Meat Inspection Act, as amended, and the Poultry Products Inspection Act, as amended, [\$392,009,000] \$405,680,000: *Provided*, That this appropriation shall be available for field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building. (7 U.S.C. 450, 1901-06; 10 U.S.C. 2306; 18 U.S.C. 1114; 21 U.S.C. 451-470, 601-624, 641-645, 661, 671-680, 691-692; 694-695; *Public Law 99-641; Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-3700-0-1-554	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Direct program.....	371,979	392,009	405,680
01.01	Reimbursable program.....	43,457	45,000	45,000
10.00	Total obligations.....	415,436	437,009	450,680
Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-1,042	-1,000	-1,000
14.00	Non-Federal sources.....	-42,415	-44,000	-44,000
25.00	Unobligated balance lapsing.....	994	.....	.....
40.00	Budget authority (appropriation).....	372,973	392,009	405,680
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	371,979	392,009	405,680

72.40	Obligated balance, start of year	33,670	32,665	33,694
74.40	Obligated balance, end of year	—32,665	—33,694	—34,651
77.00	Adjustments in expired accounts	—860		
90.00	Outlays	372,125	390,980	404,723

The major objectives of the Food Safety and Inspection Service are to ensure that meat and poultry products are wholesome, unadulterated, and properly labeled and packaged, as required by the Federal Meat Inspection Act and the Poultry Products Inspection Act.

The Meat and Poultry Inspection program of the Food Safety and Inspection Service provides continuous inplant inspection of all domestic plants preparing meat or poultry products for sale or distribution; reviews foreign inspection systems and establishments that prepare meat or poultry products for export to the United States; and provides technical and financial assistance to States which maintain meat and poultry inspection programs.

FEDERALLY FUNDED INSPECTION ACTIVITIES

	1987 actual	1988 est.	1989 est.
Federally inspected establishments:			
Slaughter plants	395	410	410
Processing plants	5,215	5,238	5,258
Combination slaughter and processing plants	1,494	1,493	1,483
Import establishments	168	193	193
Federally inspected production (millions of pounds):			
Meat slaughter	36,300	37,000	37,000
Meat processing	69,600	70,950	70,950
Poultry slaughter	25,700	27,250	28,900
Poultry processing	66,100	71,400	77,100
Import/export activity (millions of pounds):			
Meat and poultry imported	2,609	2,700	2,800
Meat and poultry exported	2,690	2,800	2,900
Imports refused entry	12.1	11.5	11.4
States and territories with cooperative agreements:			
Intrastate inspection	27	27	27
Talmadge-Aiken inspection	21	21	21
Number of slaughter and/or processing plants (excludes exempt plants)	3,722	3,720	3,720
Pounds inspected slaughter and processing (millions)	5,117	5,200	5,200
Compliance activities:			
Hazardous product detained (millions of pounds)	13	9	9
Compliance reviews	42,111	50,000	50,000
Detention actions	785	800	800
Laboratory services (samples analyzed):			
Food chemistry	69,463	70,000	70,000
Food microbiology	19,058	30,000	30,000
Chemical residues	38,808	53,800	65,800
Antibiotic residues	237,921	239,000	245,000
Pathology samples	11,982	12,975	12,975

Object Classification (in thousands of dollars)

Identification code 12-3700-0-1-554	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	230,096	234,588	234,591
11.3 Other than full-time permanent	8,518	8,684	8,685
11.5 Other personnel compensation	7,492	7,638	7,638
11.9 Total personnel compensation	246,106	250,910	250,914
12.1 Civilian personnel benefits	42,588	50,915	54,278
13.0 Benefits for former personnel	959	959	959
21.0 Travel and transportation of persons	19,252	20,066	21,068
22.0 Transportation of things	1,454	1,635	2,739
23.3 Communications, utilities, and miscellaneous charges	7,259	7,632	8,430
24.0 Printing and reproduction	1,301	1,350	1,403
25.0 Other services	14,324	16,697	22,162
26.0 Supplies and materials	2,626	2,871	3,406
31.0 Equipment	2,635	3,495	3,388
41.0 Grants, subsidies, and contributions	33,423	35,425	36,877
42.0 Insurance claims and indemnities	52	54	54
99.0 Subtotal, direct obligations	371,979	392,009	405,680
99.0 Reimbursable obligations	43,457	45,000	45,000
99.9 Total obligations	415,436	437,009	450,680

Personnel Summary

Direct:			
Total number of full-time permanent positions	8,857	8,897	8,897
Total compensable workyears:			
Full-time equivalent employment	9,144	9,190	9,190
Full-time equivalent of overtime and holiday hours	94	80	80
Reimbursable:			
Total number of full-time permanent positions	179	180	180
Total compensable workyears:			
Full-time equivalent employment	186	183	183
Full-time equivalent of overtime and holiday hours	873	871	871

Trust Funds

EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS

Program and Financing (in thousands of dollars)

Identification code 12-8137-0-7-352	1987 actual	1988 est.	1989 est.
Program by activities:			
10.00 Total obligations	961	825	825
Financing:			
21.40 Unobligated balance available, start of year	—198	—110	—110
24.40 Unobligated balance available, end of year	110	110	110
60.00 Budget authority (appropriation) (permanent, indefinite)	874	825	825
Relation of obligations to outlays:			
71.00 Obligations incurred, net	961	825	825
72.40 Obligated balance, start of year	96	140	140
74.40 Obligated balance, end of year	—140	—140	—140
90.00 Outlays	918	825	825

Under authority of the Agricultural Marketing Act of 1946, Federal meat and poultry inspection services are provided upon request and for a fee in cases where inspection is not mandated by statute. This service includes: certifying products for export beyond the requirements of export certificates; inspecting certain animals and poultry intended for human food, where inspection is not required by statute, such as buffalo, rabbit, and quail; and inspecting products intended for animal consumption.

Object Classification (in thousands of dollars)

Identification code 12-8137-0-7-352	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent	629	535	535
11.3 Other than full-time permanent	13	13	13
11.5 Other personnel compensation	151	115	115
11.9 Total personnel compensation	793	663	663
12.1 Civilian personnel benefits	110	106	106
13.0 Benefits for former personnel	3	3	3
21.0 Travel and transportation of persons	11	11	11
23.2 Rental payments to others	8	8	8
23.3 Communications, utilities, and miscellaneous charges	16	15	15
24.0 Printing and reproduction	2	2	2
25.0 Other services	16	15	15
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	1
99.9 Total obligations	961	825	825

Personnel Summary

Total number of full-time permanent positions	23	23	23
Total compensable workyears:			
Full-time equivalent employment	23	27	27
Full-time equivalent of overtime and holiday hours	3	2	2

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation as follows: Office of International Cooperation and Development, "Salaries and expenses."

FOOD AND NUTRITION SERVICE

Federal Funds

General and special funds:

FOOD PROGRAM ADMINISTRATION

For necessary administrative expenses of the Domestic Food Programs funded under this Act, **[\$85,828,000] \$94,825,000**; of which \$5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp coupon handling, and assistance in the prevention, identification, and prosecution of fraud and other violations of law: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 shall be available for employment under 5 U.S.C. 3109. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 12-3508-0-1-605	1987 actual	1988 est.	1989 est.
Program by activities:			
Direct program:			
00.01 Child nutrition.....	27,140	27,757	34,120
00.02 Special milk.....	151	154	161
00.03 Supplemental feeding programs.....	6,865	7,021	7,315
00.04 Food stamps.....	48,002	49,094	51,351
00.05 Cash and commodity subsidies.....	1,762	1,802	1,878
00.91 Total direct program.....	83,920	85,828	94,825
01.01 Reimbursable program.....	328	210	210
10.00 Total obligations.....	84,248	86,038	95,035
Financing:			
11.00 Offsetting collections from: Federal funds.....	-328	-210	-210
25.00 Unobligated balance lapsing.....	873		
40.00 Budget authority (appropriation).....	84,794	85,828	94,825
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	83,920	85,828	94,825
72.40 Obligated balance, start of year.....	6,646	12,563	6,866
74.40 Obligated balance, end of year.....	-12,563	-6,866	-7,586
77.00 Adjustments in expired accounts.....	-592		
90.00 Outlays.....	77,410	91,525	94,105

Food program administration funds Federal operating expenses of the Food and Nutrition Service related to administration of child nutrition, special milk, supplemental feeding programs, food stamps, and cash and commodity subsidies for selected groups.

Object Classification (in thousands of dollars)

Identification code 12-3508-0-1-605	1987 actual	1988 est.	1989 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	55,772	59,205	58,702
11.3 Other than full-time permanent.....	1,337	1,384	1,363
11.5 Other personnel compensation.....	609	401	393
11.9 Total personnel compensation.....	57,718	60,990	60,458
12.1 Civilian personnel benefits.....	7,674	8,422	8,343
13.0 Benefits for former personnel.....	48	46	46
21.0 Travel and transportation of persons.....	2,860	3,255	3,369
22.0 Transportation of things.....	99	93	96
23.2 Rental payments to others.....	320	436	450
23.3 Communications, utilities, and miscellaneous charges.....	3,999	4,613	5,061
24.0 Printing and reproduction.....	201	265	273
25.0 Other services.....	8,992	5,603	12,700

26.0 Supplies and materials.....	820	642	663
31.0 Equipment.....	1,163	1,463	3,366
32.0 Land and structures.....	20		
42.0 Insurance claims and indemnities.....	5		
43.0 Interest and dividends.....	1		
99.0 Subtotal, direct obligations.....	83,920	85,828	94,825
99.0 Reimbursable obligations.....	328	210	210
99.9 Total obligations.....	84,248	86,038	95,035

Personnel Summary

Total number of full-time permanent positions.....	1,894	1,894	1,875
Total compensable workyears:			
Full-time equivalent employment.....	1,853	1,890	1,800
Full-time equivalent of overtime and holiday hours.....	1		

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011-2027 **[2028,] and 2029**), **[\$13,557,757,000] \$12,519,705,000**: *Provided*, That funds provided herein shall remain available through September 30, **[1988] 1989**, in accordance with section 18(a) of the Food Stamp Act: *Provided further*, That up to 5 per centum of the foregoing amount may be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further*, That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: *Provided further*, That this appropriation shall be subject to any work registration or work fare requirements as may be required by law: *Provided further*, That \$345,000,000 of the funds provided herein shall be available only to the extent necessary after the Secretary has employed the regulatory and administrative methods available to him under the law to curtail fraud, waste, and abuse in the program: *Provided further*, That \$879,250,000 of the foregoing amount shall be available for Nutrition Assistance for Puerto Rico as authorized by 7 U.S.C. 2028]. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 12-3505-0-1-605	1987 actual	1988 est.	1989 est.
Program by activities:			
00.01 Properly issued benefits.....	9,686,033	10,577,073	10,572,982
00.02 Estimated state overissuance.....	830,832	882,378	857,269
00.03 State administration.....	993,241	1,030,984	1,073,255
00.04 Employment and training program.....	66,174	98,200	116,028
00.05 Other.....	45,213	50,245	62,171
10.00 Total obligations.....	11,621,493	12,638,880	12,681,705
Financing:			
14.00 Offsetting collections from: Non-Federal sources.....			-162,000
25.00 Unobligated balance lapsing.....	171,796		
39.00 Budget authority.....	11,793,288	12,638,880	12,519,705
Budget authority:			
40.00 Appropriation.....	11,831,915	12,678,507	12,519,705
41.00 Transferred to other accounts.....	-38,627	-39,627	
43.00 Appropriation (adjusted).....	11,793,288	12,638,880	12,519,705
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	11,621,493	12,638,880	12,519,705
72.40 Obligated balance, start of year.....	244,353	291,709	379,640
74.40 Obligated balance, end of year.....	-291,709	-379,640	-395,141
77.00 Adjustments in expired accounts.....	-18,656		
90.00 Outlays.....	11,555,481	12,550,949	12,504,204

Note.—Amounts for Nutrition Assistance for Puerto Rico for 1987 and 1988 are shown under that title. Amounts for 1987 and 1988 were appropriated under the title Food stamp program.

The food stamp program increases the food purchasing power of eligible low income households. Participants purchase food at retail stores with food stamp coupons.

Object Classification (in thousands of dollars)

Identification code	12-3505-0-1-605	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent	282	145	.....
12.1	Civilian personnel benefits	20	12	.....
21.0	Travel and transportation of persons	46	25	.....
22.0	Transportation of things	2,639	2,726	2,832
24.0	Printing and reproduction	18,207	23,750	24,934
25.0	Other services	24,019	23,587	34,405
41.0	Grants, subsidies, and contributions	11,576,280	12,588,635	12,619,534
99.9	Total obligations	11,621,493	12,638,880	12,681,705

Personnel Summary

Total compensable workyears: Full-time equivalent employment	12	5
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NUTRITION ASSISTANCE FOR PUERTO RICO

For monthly payments to the Commonwealth of Puerto Rico for nutrition assistance, as authorized by 7 U.S.C. 2028, \$908,250,000.

Program and Financing (in thousands of dollars)

Identification code	12-3550-0-1-605	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0)	852,750	879,250	908,250
Financing:				
40.00	Budget authority (appropriation)	852,750	879,250	908,250
Relation of obligations to outlays:				
71.00	Obligations incurred, net	852,750	879,250	908,250
72.40	Obligated balance, start of year	18,401	19,117	22,860
74.40	Obligated balance, end of year	-19,117	-22,860	-23,614
77.00	Adjustments in expired accounts	-50	.....	.....
90.00	Outlays	851,984	875,507	907,496

Note.—Amounts for 1987 and 1988 were appropriated under the title Food stamp program.

This grant replaces the food stamp program in Puerto Rico, and gives the Commonwealth broad flexibility to establish a food assistance program specifically tailored to the needs of its low-income households.

SPECIAL MILK PROGRAM

For necessary expenses [.] to carry out the special milk program, as authorized by section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772), [\$21,500,000] \$19,925,000, to remain available through September 30, [1989] 1990. Only final reimbursement claims for milk submitted to State agencies within sixty days following the month for which the reimbursement is claimed shall be eligible for reimbursement from funds appropriated under this Act. States may receive program funds appropriated under this Act only if the final program operations report for such month is submitted to the Department within ninety days following that month. Exceptions to these claims or reports submission requirements may be made at the discretion of the Secretary. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-3502-0-1-605	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations (object class 41.0)	17,451	21,669	22,114
Financing:				
21.40	Unobligated balance, available, start of year	-1,514	-2,358	-2,189
24.40	Unobligated balance available, end of year	2,358	2,189	.....
40.00	Budget authority (appropriation)	18,295	21,500	19,925
Relation of obligations to outlays:				
71.00	Obligations incurred, net	17,451	21,669	22,114
72.40	Obligated balance, start of year	4,896	6,884	4,832

74.40	Obligated balance, end of year	-6,884	-4,832	-4,931
77.00	Adjustments in expired accounts	-16	.....	.....
90.00	Outlays	15,446	23,721	22,015

The program subsidizes schools and institutions that do not participate in other federally funded meal programs for milk served to students, and also subsidizes milk served to students in split session kindergartens who do not have access to the school's meal service program.

CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751-1769b, except 1766(i)), and the applicable provisions other than sections 3, 17, 18, and 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1773-1785, and [1788-]1789); [\$4,497,629,000] \$4,609,127,000, to remain available through September 30, [1989] 1990, of which [\$679,826,000] \$515,855,000 is hereby appropriated and [\$3,817,803,000] \$4,093,272,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided*, That funds appropriated for the purpose of section 7 of the Child Nutrition Act of 1966 shall be allocated among the States but the distribution of such funds to an individual State is contingent upon that State's agreement to participate in studies and surveys of programs authorized under the National School Lunch Act and the Child Nutrition Act of 1966, when such studies and surveys have been directed by the Congress and requested by the Secretary of Agriculture: *Provided further*, That if the Secretary of Agriculture determines that a State's administration of any program under the National School Lunch Act or the Child Nutrition Act of 1966 (other than section 17), or the regulations issued pursuant to these Acts, is seriously deficient, and the State fails to correct the deficiency within a specified period of time, the Secretary may withhold from the State some or all of the funds allocated to the State under section 7 of the Child Nutrition Act of 1966 and under section 13(k)(1) of the National School Lunch Act; upon a subsequent determination by the Secretary that the programs are operated in an acceptable manner some or all of the funds withheld may be allocated: *Provided further*, That only final reimbursement claims for service of meals, supplements, and milk submitted to State agencies by eligible schools, summer camps, institutions, and service institutions within sixty days following the month for which the reimbursement is claimed shall be eligible for reimbursement from funds appropriated under this Act. States may receive program funds appropriated under this Act for meals, supplements, and milk served during any month only if the final program operations report for such month is submitted to the Department within ninety days following that month. Exceptions to these claims or reports submission requirements may be made at the discretion of the Secretary. (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-3539-0-1-605	1987 actual	1988 est.	1989 est.
Program by activities:				
Cash payments to States:				
School lunch:				
00.01	Upper income	289,881	289,342	308,376
00.02	Lower income	269,475	272,005	294,374
00.03	Low income	2,441,483	2,427,720	2,579,669
School breakfast:				
00.04	Upper income	9,693	10,007	10,599
00.05	Lower income	15,734	15,905	17,339
00.06	Low income	442,845	457,536	486,560
Child care feeding:				
00.07	Upper income	191,200	209,240	237,053
00.08	Lower income	23,129	24,229	26,737
00.09	Low income	329,944	347,091	382,142
00.10	Audits	7,035	1,826	.....
00.11	Summer feeding	127,973	137,577	147,824
00.12	State administrative expenses	49,800	54,289	58,411
00.13	Commodity procurement	127,295	157,289	176,514

General and special funds—Continued

CHILD NUTRITION PROGRAMS—Continued
(INCLUDING TRANSFERS OF FUNDS)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-3539-0-1-605	1987 actual	1988 est.	1989 est.
Nutrition studies and education:				
00.14	Nutrition studies and surveys	2,468	2,085	2,085
00.15	Nutrition education and training	4,990	1,050	.....
10.00	Total obligations	4,332,945	4,407,191	4,727,683
Financing:				
21.40	Unobligated balance available, start of year	-8,390	-28,118	-118,556
24.40	Unobligated balance available, end of year	28,118	118,556	.....
25.00	Unobligated balance lapsing	8,187	.....	.....
39.00	Budget authority	4,360,860	4,497,629	4,609,127
Budget authority:				
Current:				
40.00	Appropriation	1,064,923	679,826	515,855
Permanent:				
62.00	Transferred from other accounts	3,295,937	3,817,803	4,093,272
63.00	Appropriation (adjusted)	3,295,937	3,817,803	4,093,272
Relation of obligations to outlays:				
71.00	Obligations incurred, net	4,332,945	4,407,191	4,727,683
72.40	Obligated balance, start of year	424,892	712,483	714,982
74.40	Obligated balance, end of year	-712,483	-714,982	-767,441
77.00	Adjustments in expired accounts	-524	.....	.....
90.00	Outlays	4,044,830	4,404,692	4,675,224

NOTES

Budget authority for 1987 includes \$167,500,000 congressional supplemental appropriation for revised accounting practices in meal reimbursements.

Funds available for Nutrition Education and Training and Child care feeding audits in 1988 are based on allowances in the 1988 short-term Continuing Resolutions (P.L. 100-120, P.L. 100-162, P.L. 100-193, and P.L. 100-197).

The child nutrition programs provide cash and commodity meal subsidies through the school lunch, school breakfast, summer food service and child care food programs. Federal funds are also made available for nutrition studies and State administrative expenses.

Object Classification (in thousands of dollars)

Identification code	12-3539-0-1-605	1987 actual	1988 est.	1989 est.
11.3	Personnel compensation: Other than full-time permanent ..	142	477	477
12.1	Civilian personnel benefits	11	38	38
21.0	Travel and transportation of persons	89	99	99
22.0	Transportation of things	4	4	4
23.3	Communications, utilities, and miscellaneous charges	36	36	36
24.0	Printing and reproduction	4	2,022	4
25.0	Other services	3,485	3,570	4,590
26.0	Supplies and materials (grants of commodities to States)	127,325	155,846	174,051
41.0	Grants, subsidies, and contributions	4,201,849	4,245,099	4,548,384
99.9	Total obligations	4,332,945	4,407,191	4,727,683

Personnel Summary

Total compensable workyears: Full-time equivalent employment	14	20	20
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[SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)]

[For necessary expenses to carry out the special supplemental food program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), \$1,802,363,000, to remain available through September 30, 1989.]

[STUDY OF MEDICAID SAVINGS FOR NEWBORNS FROM WIC PROGRAM]

[(a) STUDY.—The Secretary of Agriculture shall conduct a national study of savings in the amount of assistance provided to families with

newborns under State plans for medical assistance approved under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) and State indigent health care programs, during the first 60-day period after birth, as the result of the prenatal participation of mothers in the special supplemental food program authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

(b) REPORT.—Not later than February 1, 1990, the Secretary shall submit to Congress a report that describes the results of the study conducted under subsection (a).

(c) FUNDING.—This section shall be carried out using funds made available under section 17(g)(3) of the Child Nutrition Act of 1966.]

[COMMODITY SUPPLEMENTAL FOOD PROGRAM]

[For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)), including not less than \$8,000,000 for the projects in Detroit, New Orleans, and Des Moines, \$50,000,000: *Provided*, That funds available above those needed to serve 145,000 women, infants, and children and 80,000 elderly persons in States operating projects in 1987 shall be used to fund additional women, infants, and children in projects in States without projects in 1987: *Provided further*, That funds provided herein shall remain available through September 30, 1989: *Provided further*, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program.]

SUPPLEMENTAL FEEDING PROGRAMS

For necessary expenses to carry out the Special Supplemental Food Program (section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786)) and Commodity Supplemental Food Program (CSFP) (section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)), \$1,923,848,000, to remain available through September 30, 1990: *Provided*, That notwithstanding any other provision of law, amounts in excess of those necessary to fund fiscal year 1988 participation levels of women, infants, and children in the CSFP, and amounts in excess of those necessary to fund fiscal year 1988 participation levels of elderly in the CSFP shall be used to provide service to women, infants, and children in either program: *Provided further*, That the funds provided in this Act which are allocated to each program shall be the amount appropriated for purposes of determining State administrative grants pursuant to section 17(h) of the Child Nutrition Act and section 5(a) of the Agriculture and Consumer Protection Act: *Provided further*, That the funds provided in this Act which are allocated to section 17 of the Child Nutrition Act shall be the amount appropriated for purposes of determining migrant grants pursuant to section 17(g). (Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-3510-0-1-605	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations	1,704,615	1,848,317	1,928,640
Financing:				
17.00	Recovery of prior year obligations	-369	.....	.....
21.40	Unobligated balance available, start of year	-63	-746	-4,792
24.40	Unobligated balance available, end of year	746	4,792	.....
25.00	Unobligated balance lapsing	65	.....	.....
40.00	Budget authority (appropriation)	1,704,994	1,852,363	1,923,848
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1,704,615	1,848,317	1,928,640
72.40	Obligated balance, start of year	148,298	150,481	137,688
74.40	Obligated balance, end of year	-150,481	-137,688	-144,397
77.00	Adjustments in expired accounts	-358	.....	.....
78.00	Adjustments in unexpired accounts	-369	.....	.....
90.00	Outlays	1,701,705	1,861,109	1,921,931

The Supplemental Feeding Programs.—Special Supplemental Food Program (WIC) and Commodity Supplemental Food program (CSFP)—give food supplements to low-income pregnant, post-partum, and breastfeeding women, infants, and children, and to low-income elderly.

Object Classification (in thousands of dollars)

Identification code	12-3510-0-1-605	1987 actual	1988 est.	1989 est.
25.0	Other services	1,992	2,100	3,000
26.0	Supplies and materials (grants of commodities to States)	32,115	35,293	41,328
41.0	Grants, subsidies, and contributions	1,670,508	1,810,924	1,884,312
99.9	Total obligations	1,704,615	1,848,317	1,928,640

SUPPLEMENTAL FEEDING PROGRAMS

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-3510-2-1-605	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Commodity procurement			1,453
00.02	Administrative costs			-1,453
Financing:				
39.00	Budget authority			
Relation of obligations to outlays:				
71.00	Obligations incurred, net			
90.00	Outlays			

Proposed legislation would reduce the rate of administrative funds earned from 15 to 5 percent of the value of donated commodities. The additional funds will be made available for foods to support additional low-income participants.

Object Classification (in thousands of dollars)

Identification code	12-3510-2-1-605	1987 actual	1988 est.	1989 est.
26.0	Supplies and materials (grants of commodities to States)			1,453
41.0	Grants, subsidies, and contributions			-1,453
99.9	Total obligations			

【FOOD DONATIONS PROGRAMS】 CASH AND COMMODITIES FOR
SELECTED GROUPS

For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)), section 4(b) of the Food Stamp Act (7 U.S.C. 2013), and section 311 of the Older Americans Act of 1965, as amended (42 U.S.C. 3030(a)), **【\$194,108,000】 \$199,147,000.** (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-3503-0-1-605	1987 actual	1988 est.	1989 est.
Program by activities:				
Commodity and cash subsidies:				
00.01	Commodities in lieu of food stamps	40,637	40,736	41,641
00.02	Distributing agency administrative costs	14,805	15,363	16,213
00.03	Elderly feeding	130,010	138,009	141,293
10.00	Total obligations	185,452	194,108	199,147
Financing:				
25.00	Unobligated balance lapsing	8,137		
40.00	Budget authority (appropriation)	193,589	194,108	199,147
Relation of obligations to outlays:				
71.00	Obligations incurred, net	185,452	194,108	199,147
72.40	Obligated balance, start of year	37,635	35,760	36,881
74.40	Obligated balance, end of year	-35,760	-36,881	-37,838
77.00	Adjustments in expired accounts	927		
90.00	Outlays	188,254	192,987	198,190

Commodity and cash subsidies—

Commodities in lieu of food stamps.—Nutritious commodities for needy persons on Indian reservations and the Island of Palau.

Distributing agency administrative costs.—Payments to assist distributing agencies in meeting the expenses of operating food distribution programs.

Elderly feeding.—Cash and commodity subsidies for meals served to the elderly, regardless of their incomes, under titles III and VI of the Older Americans Act of 1965.

Object Classification (in thousands of dollars)

Identification code	12-3503-0-1-605	1987 actual	1988 est.	1989 est.
26.0	Supplies and materials (grants of commodities to States)	47,895	47,796	48,705
41.0	Grants, subsidies, and contributions	137,557	146,312	150,442
99.9	Total obligations	185,452	194,108	199,147

HUMAN NUTRITION INFORMATION SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses to enable the Human Nutrition Information Service to perform applied research and demonstrations relating to human nutrition and consumer use and economics of food utilization **【\$8,623,000】 \$9,288,000: Provided,** That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225). (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code	12-3501-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Direct program	6,777	8,623	9,288
01.01	Reimbursable program	3		
10.00	Total obligations	6,780	8,623	9,288
Financing:				
11.00	Offsetting collections from: Federal funds	-3		
25.00	Unobligated balance lapsing	208		
40.00	Budget authority (appropriation)	6,985	8,623	9,288
Relations of obligations to outlays:				
71.00	Obligations incurred, net	6,777	8,623	9,288
72.40	Obligated balance, start of year	9,337	7,571	8,566
74.40	Obligated balance, end of year	-7,571	-8,566	-8,944
77.00	Adjustments in expired accounts	1,106		
90.00	Outlays	9,649	7,628	8,910

The Human Nutrition Information Service plans and conducts nutritional and dietary intake assessment surveys of the total U.S. population and selected groups; provides consultative assistance and sound guidance material to assist people in selecting adequate diets within different budget limitations; maintains and expands the Nutrient Data Bank and revises sections of Agriculture Handbook No. 8, "Composition of Foods"; responds to many different requests for guidance on practical food-related problems as well as on national and international food programs; and conducts nutrition education research and performs technical clearance of nutrition information for the Department.

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Object Classification (in thousands of dollars)

Identification code	12-3501-0-1-352	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	2,548	2,524	2,524
11.3	Other than full-time permanent	350	436	436
11.9	Total personnel compensation	2,898	2,960	2,960
12.1	Civilian personnel benefits	374	488	600
21.0	Travel and transportation of persons	55	50	80
22.0	Transportation of things	25	4	5
23.3	Communications, utilities, and miscellaneous charges	57	200	100
24.0	Printing and reproduction	96	100	100
25.0	Other services	3,043	4,461	5,263
26.0	Supplies and materials	95	150	70
31.0	Equipment	134	210	110
99.0	Subtotal, direct obligations	6,777	8,623	9,288
99.0	Reimbursable obligations	3		
99.9	Total obligations	6,780	8,623	9,288

Personnel Summary

Total number of full-time permanent positions	77	79	79
Total compensable workyears: Full-time equivalent employment	90	90	90

PACKERS AND STOCKYARDS ADMINISTRATION

Federal Funds

General and special funds:

PACKERS AND STOCKYARDS ADMINISTRATION

For necessary expenses for administration of the Packers and Stockyards Act, as authorized by law, and for certifying procedures used to protect purchasers of farm products, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for employment under 5 U.S.C. 3109, **[\$9,402,000]** \$9,562,000. (7 U.S.C. 181-229; *Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988*.)

Program and Financing (in thousands of dollars)

Identification code	12-2600-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations	8,993	9,402	9,562
Financing:				
11.00	Offsetting collections from: Federal funds	—1		
25.00	Unobligated balance lapsing	89		
40.00	Budget authority (appropriation)	9,081	9,402	9,562
Relation of obligations to outlays:				
71.00	Obligations incurred, net	8,992	9,402	9,562
72.40	Obligated balance, start of year	1,052	1,048	1,095
74.40	Obligated balance, end of year	—1,048	—1,095	—1,111
77.00	Adjustments in expired accounts	37		
90.00	Outlays	9,033	9,355	9,546

The goal of this program is to ensure the integrity of the livestock, meat, and poultry markets and the marketplace in order to protect producers against unfair, deceptive, or discriminatory practices as well as those that are predatory or monopolistic in nature. Consumers and members of the livestock, poultry, and meat industries are also protected against unfair business practices in the marketing of livestock, meat and poultry, and from restrictions on competition which could unduly affect prices. The Agency also carries out the Secretary's responsibilities under Section 1324 of the

Food Security Act of 1985 covering "central filing systems" established by States for pre-notification of security interests against farm products.

Object Classification (in thousands of dollars)

Identification code	12-2600-0-1-352	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent	5,937	6,194	6,239
11.3	Other than full-time permanent	102	35	35
11.9	Total personnel compensation	6,039	6,229	6,274
12.1	Civilian personnel benefits	1,007	1,109	1,183
13.0	Benefits for former personnel	3	3	3
21.0	Travel and transportation of persons	612	608	622
22.0	Transportation of things	93	69	69
23.2	Rental payments to others	128	134	139
23.3	Communications, utilities, and miscellaneous charges	290	324	327
24.0	Printing and reproduction	30	22	23
25.0	Other services	642	735	749
26.0	Supplies and materials	67	82	83
31.0	Equipment	76	87	90
32.0	Land and structures	6		
99.9	Total obligations	8,993	9,402	9,562

Personnel Summary

Total number of full-time permanent positions	188	193	193
Total compensable workyears: Full-time equivalent employment	187	187	187

AGRICULTURAL COOPERATIVE SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses to carry out the Cooperative Marketing Act of July 2, 1926 (7 U.S.C. 451-457), and for activities relating to the marketing aspects of cooperatives, including economic research and analysis and the application of economic research findings, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and for activities with institutions or organizations throughout the world concerning the development and operation of agricultural cooperatives (7 U.S.C. 3291), **[\$4,611,000]** of which \$99,000 shall be available for a field office in Hawaii **[\$2,303,000]** *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$15,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 451-457, 1621-1627, 2225, 3291; *Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988*.)

Program and Financing (in thousands of dollars)

Identification code	12-3000-0-1-352	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations	4,416	4,611	2,303
Financing:				
25.00	Unobligated balance lapsing	131		
40.00	Budget authority (appropriation)	4,547	4,611	2,303
Relation of obligations to outlays:				
71.00	Obligations incurred, net	4,416	4,611	2,303
72.40	Obligated balance, start of year	2,102	1,554	1,955
74.40	Obligated balance, end of year	—1,554	—1,955	—976
77.00	Adjustments in expired accounts	—380		
90.00	Outlays	4,583	4,210	3,282

The Agricultural Cooperative Service performs research for farmer cooperatives. The agency's research program includes studies of economic, financial, organizational, managerial, legal, social, and policy related

issues that affect cooperatives. Data on membership, business volume, and financial condition are collected to detect changes in the structure, operation, and growth trends of cooperatives.

Object Classification (in thousands of dollars)

Identification code	12-3000-0-1-352	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	2,460	2,497	1,566
11.3	Other than full-time permanent.....	85	88	
11.5	Other personnel compensation.....	41	40	
11.9	Total personnel compensation.....	2,586	2,625	1,566
12.1	Civilian personnel benefits.....	319	356	216
13.0	Benefits for former personnel.....	2		
21.0	Travel and transportation of persons.....	142	155	78
22.0	Transportation of things.....	7		
23.2	Rental payments to others.....	2	2	
23.3	Communications, utilities, and miscellaneous charges.....	163	166	118
24.0	Printing and reproduction.....	67	40	10
25.0	Other services.....	1,019	1,182	300
26.0	Supplies and materials.....	34	40	10
31.0	Equipment.....	75	45	5
99.9	Total obligations.....	4,416	4,611	2,303

Personnel Summary

Total number of full-time permanent positions.....	64	64	45
Total compensable workyears: Full-time equivalent employment.....	63	63	45

FOREST SERVICE

Federal Funds

General and special funds:

NATIONAL FOREST SYSTEM

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, and for [liquidation of obligations made] *reimbursement to other appropriation accounts from which funds were transferred* in the preceding fiscal years [pursuant to 16 U.S.C. 556d] for forest firefighting and emergency rehabilitation of National Forest System lands, and for administrative expenses associated with the management of funds provided under the heads "Forest Research", "State and Private Forestry", "National Forest System", "Construction", and "Land Acquisition", [\$1,243,391,000] \$1,159,655,000, of which [\$296,758,000] \$188,246,000 for reforestation and timber stand improvement, cooperative law enforcement, firefighting, and maintenance of forest development roads and trails shall remain available for obligation until September 30, [1989] 1990. (7 U.S.C. 1010-12, 2201, 2250; 16 U.S.C. 472a-583i, 556d, 594, 670o(b), 1601-14; 30 U.S.C. 601-604; 611-614; 43 U.S.C. 1181h-j, 1241-43, 1901-08; Public Law 96-487; Public Law 99-478; Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-1106-0-1-302	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Land and resource protection.....	480,442	491,649	383,934
00.02	Renewable resource management and utilization.....	381,801	521,716	500,385
00.03	General administration.....	257,708	268,660	275,336
00.91	Total direct program.....	1,119,951	1,282,025	1,159,655
01.01	Reimbursable program.....	200,173	42,478	34,400
10.00	Total obligations.....	1,320,124	1,324,503	1,194,055
Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-151,791	-32,211	-26,085
13.00	Trust funds.....	-48,382	-10,267	-8,315
17.00	Recovery of prior year obligations.....	-304		
21.40	Unobligated balance available, start of year.....	-4,741	-38,634	
24.40	Unobligated balance available, end of year.....	38,634		

25.00	Unobligated balance lapsing.....	31,628		
40.00	Budget authority (appropriation).....	1,185,168	1,243,391	1,159,655
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,119,951	1,282,025	1,159,655
72.40	Obligated balance, start of year.....	144,291	32,498	148,746
74.40	Obligated balance, end of year.....	-32,498	-148,746	-139,159
78.00	Adjustments in unexpired accounts.....	-304		
90.00	Outlays.....	1,231,440	1,165,777	1,169,242

The 156 National Forests, 19 National Grasslands, and 18 land utilization projects located in 44 States, Puerto Rico and the Virgin Islands are managed under multiple use and sustained yield principles. The natural resources of timber, minerals, range, wildlife, outdoor recreation, watershed, and soil are utilized in a planned combination that will best meet the needs of the Nation, without impairing productivity of the land or damaging the environment. These management and utilization principles are recognized in the Multiple-Use Sustained-Yield Act of June 12, 1960 (16 U.S.C. 528-531).

Land and resource protection.—Provides for the protection and/or maintenance of National Forest System users, resources, lands and facilities, including roads and trails.

Renewable resource management and utilization.—Provides for the management and utilization of the timber, mineral, range, recreation, wildlife, watershed, and soil resources on National Forest System lands.

General administration.—This activity represents that share of the cost which contributes to the support of programs financed from National forest system, Construction, Forest research, State and private forestry, and Land acquisition appropriations.

MAIN WORKLOAD FACTORS

Description:	1987 actual	1988 est.	1989 est.
Area administered and protected (million acres).....	191	191	191
Timber sales prepared and offered (billion board-feet).....	11.5	11.5	11.2
Timber volume harvested (billion board feet).....	12.7	11.8	12.2
Reforestation (thousand acres) (appropriated).....	139	119	119
Timber stand improvement (thousand acres) (appropriated).....	223	144	168
Minerals management (operating plans).....	25,104	22,107	24,820
Landline location (miles).....	5,250	4,104	4,960
Fuel treatment including fuelbreaks (thousand acres).....	345	320	258
Estimated number of visitor-days to national forests (millions) ¹	238	240	240
Wildlife habitat improvement (thousand acres).....	94	66	44
Grazing use (millions AUM's permitted livestock).....	9.9	9.9	9.8
Soil and water resource improvement (thousand acres).....	10.4	6.9	5.3
Receipts (in thousands of dollars):			
National forests fund:			
Timber sales.....	786,345	791,000	806,000
Timber sales betterment.....	196,348	190,000	192,000
Minerals.....	10,676	15,000	15,000
Grazing.....	7,334	7,750	7,750
Recreation admission and user fees.....	30,559	31,800	32,000
Other.....	4,450	5,500	6,400
National grasslands and land utilization:			
Grazing.....	766	1,000	1,000
Minerals.....	36,012	37,000	42,000
Other.....	599	565	715
Oregon and California grant lands.....	21,653	24,000	24,000
Total receipts.....	1,094,742	1,103,665	1,126,865

¹ Including wilderness areas.

General and special funds—Continued

NATIONAL FOREST SYSTEM—Continued

Object Classification (In thousands of dollars)

Identification code	12-1106-0-1-302	1987 actual	1988 est.	1989 est.
FOREST SERVICE				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	459,508	463,399	475,221
11.3	Other than full-time permanent.....	85,472	86,261	88,126
11.5	Other personnel compensation.....	65,819	66,377	68,069
11.8	Special personal services payments.....	14,561	14,779	29,706
11.9	Total personnel compensation.....	625,360	630,816	661,122
12.1	Civilian personnel benefits.....	97,565	98,416	103,144
13.0	Benefits for former personnel.....	9,270	9,348	9,586
21.0	Travel and transportation of persons.....	39,925	56,549	39,536
22.0	Transportation of things.....	12,899	18,270	12,773
23.1	Rental payments to GSA.....	13,932	16,599	17,465
23.2	Rental payments to others.....	9,319	13,199	9,228
23.3	Communications, utilities, and miscellaneous charges.....	29,203	41,362	28,918
24.0	Printing and reproduction.....	2,608	3,694	2,583
25.0	Other services.....	198,217	280,750	196,283
26.0	Supplies and materials.....	49,238	69,740	48,758
31.0	Equipment.....	26,026	36,863	25,772
32.0	Land and structures.....	3,789	5,367	3,752
41.0	Grants, subsidies, and contributions.....	67	95	66
42.0	Insurance claims and indemnities.....	591	837	585
44.0	Refunds.....	85	120	84
99.0	Subtotal, direct obligations.....	1,118,094	1,282,025	1,159,655
99.0	Reimbursable obligations.....	200,173	42,478	34,400
ALLOCATION ACCOUNTS				
Personnel compensation:				
11.1	Full-time permanent.....	808		
11.3	Other than full-time permanent.....	394		
11.5	Other personnel compensation.....	4		
11.9	Total personnel compensation.....	1,206		
12.1	Civilian personnel benefits.....	129		
21.0	Travel and transportation of persons.....	248		
22.0	Transportation of things.....	97		
23.2	Rental payments to others.....	4		
23.3	Communications, utilities, and miscellaneous charges.....	4		
25.0	Other services.....	105		
26.0	Supplies and materials.....	47		
31.0	Equipment.....	17		
99.0	Subtotal obligations, allocation accounts.....	1,857		
99.9	Total obligations.....	1,320,124	1,324,503	1,194,055
Obligations are distributed as follows:				
	National Forest System, Agriculture.....	1,318,267	1,324,503	1,194,055
	Bureau of Land Management, Interior.....	1,857		

Personnel Summary

Direct:				
	Total number of permanent positions.....	18,654	18,767	18,974
Total compensable workyears:				
	Full-time equivalent employment.....	23,377	23,180	23,673
	Full-time equivalent of overtime and holiday hours.....	2,214	2,195	2,242
Reimbursable:				
	Total number of permanent positions.....	232	172	138
Total compensable workyears:				
	Full-time equivalent employment.....	232	234	189
	Full-time equivalent of overtime and holiday hours.....	97	98	79
ALLOCATION ACCOUNTS				
	Total number of permanent positions.....	44		
	Total compensable workyears: Full-time equivalent employment.....	48		

CONSTRUCTION

For necessary expenses of the Forest Service, not otherwise provided for, for construction, **[\$214,078,000]** \$203,974,000, to remain avail-

able until expended, of which **[\$27,643,000]** \$7,125,000 is for construction and acquisition of buildings and other facilities; and **[\$186,435,000]** \$196,849,000 is for construction of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532-538 and 23 U.S.C. 101 and 205: *Provided*, That funds becoming available in fiscal year **[1988]** 1989 under the Act of March 4, 1913 (16 U.S.C. 501), shall be transferred to the General Fund of the Treasury of the United States~~[.]~~: *Provided further*, That not to exceed \$125,367,000, to remain available until expended, may be obligated for the construction of forest roads by timber purchasers. (7 U.S.C. 2250; 16 U.S.C. 501, 532-538, 555b, 571c, 1241-51, 1601, 1643; 42 U.S.C. 8259; Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-1103-0-1-302	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Construction of facilities.....	26,657	25,481	7,125
00.02	Road and trail construction.....	219,671	231,055	196,849
00.03	Pollution abatement.....	1	1	
00.04	Land acquisition.....	12	10	
00.05	Mt. St. Helens timber salvage.....	1	1	
00.06	Mt. Elden work center.....	205	95	
00.91	Total direct program.....	246,547	256,643	203,974
01.01	Reimbursable program.....	3,498	3,200	2,900
10.00	Total obligations.....	250,045	259,843	206,874
Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-1,850	-1,695	-1,536
14.00	Non-Federal sources.....	-1,648	-1,505	-1,364
17.00	Recovery of prior year obligations.....	-676		
21.40	Unobligated balance available, start of year.....	-22,553	-42,565	
24.40	Unobligated balance available, end of year.....	42,565		
25.00	Unobligated balance lapsing.....	1,312		
40.00	Budget authority (appropriation).....	267,195	214,078	203,974
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	246,547	256,643	203,974
72.40	Obligated balance, start of year.....	91,164	108,579	145,768
74.40	Obligated balance, end of year.....	-108,579	-145,768	-159,218
78.00	Adjustments in unexpired accounts.....	-676		
90.00	Outlays.....	228,456	219,454	190,524

Construction of facilities—

Recreation facilities.—Provides facilities necessary to safely meet recreation demand without sacrificing environmental values and without unduly impinging upon other resource uses of the National Forests.

Other facilities.—Provides for construction and acquisition of fire, administrative, and other improvements and related facilities necessary to carry out National Forest and State and private forestry programs. Includes fire lookouts, offices, dwellings and barracks for employee housing, service, and storage buildings, insectories, tree nursery buildings, dams, and other forest resource management projects. Efforts to make buildings more energy efficient (retrofit) will be continued.

Research construction.—Provides for construction, alteration, and improvement of research laboratories and related facilities, and for procurement and installation of necessary initial equipment needed to put the facility into operating condition. Efforts to make research facilities more energy efficient (retrofit) will be continued.

Road and trail construction—

Road and trail construction.—Roads and trails are essential to the protection and management of the National Forest System, as well as providing access to

National Forest System areas for recreation and utilization of their resources. Of the revenues received annually from National Forest activities, 10 percent is being transferred to the General Fund with a comparable amount appropriated to the construction program for road and trail construction activities.

Timber purchaser construction.—Roads may be constructed and/or reconstructed by a timber purchaser who in turn receives credit against timber value as a reimbursement. These roads are those required within a timber sale area specifically for the removal of the timber, but which will remain on the National Forest development road system for resource management purposes after the timber sale contract is completed. (16 U.S.C. 535, 1608.)

Object Classification (in thousands of dollars)

Identification code	12-1103-0-1-302	1987 actual	1988 est.	1989 est.
FOREST SERVICE				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	75,440	67,036	65,510
11.3	Other than full-time permanent	7,761	6,889	6,736
11.5	Other personnel compensation	1,661	1,471	1,347
11.8	Special personal services payments	2,526	2,404	2,416
11.9	Total personnel compensation	87,388	77,800	76,009
12.1	Civilian personnel benefits	12,581	11,201	10,943
13.0	Benefits for former personnel	722	642	627
21.0	Travel and transportation of persons	3,506	4,043	2,789
22.0	Transportation of things	1,296	1,494	1,031
23.1	Rental payments to GSA	2,356	2,807	2,953
23.2	Rental payments to others	2,326	2,682	1,850
23.3	Communications, utilities, and miscellaneous charges	4,084	4,709	3,249
24.0	Printing and reproduction	561	647	446
25.0	Other services	66,491	76,668	53,058
26.0	Supplies and materials	7,564	8,722	6,017
31.0	Equipment	5,562	6,413	4,424
32.0	Land and structures	50,631	58,380	40,278
41.0	Grants, subsidies, and contributions	5	6	4
42.0	Insurance claims and indemnities	256	295	204
44.0	Refunds	116	134	92
99.0	Subtotal, direct obligations	245,445	256,643	203,974
99.0	Reimbursable obligations	3,498	3,200	2,900
ALLOCATION TO FEDERAL HIGHWAY ADMINISTRATION				
Personnel compensation:				
11.1	Full-time permanent	196		
11.3	Other than full-time permanent	1		
11.5	Other personnel compensation	1		
11.9	Total personnel compensation	198		
12.1	Civilian personnel benefits	16		
21.0	Travel and transportation of persons	34		
22.0	Transportation of things	14		
23.3	Communications, utilities and miscellaneous charges	3		
24.0	Printing and reproduction	3		
25.0	Other services	2		
26.0	Supplies and materials	4		
31.0	Equipment	2		
32.0	Land and structures	828		
99.0	Subtotal, obligations, Federal Highway Administration	1,104		
99.9	Total obligations	250,045	259,843	206,874

Personnel Summary

FOREST SERVICE				
Direct:				
	Total number of full-time permanent positions	2,862	2,523	2,431
	Total compensable workyears:			
	Full-time equivalent employment	3,178	2,769	2,695

Full-time equivalent of overtime and holiday hours	52	45	44
Reimbursable:			
Total number of full-time permanent positions	23	21	18
Total compensable workyears:			
Full-time equivalent employment	32	29	26
Full-time equivalent of overtime and holiday hours	1	1	1

FEDERAL HIGHWAY ADMINISTRATION

Total number of full-time permanent positions	6		
Total compensable workyears:			
Full-time equivalent employment	6		
Full-time equivalent of overtime and holiday hours	1		

FOREST RESEARCH

For necessary expenses of forest research as authorized by law, [§135,510,000 of which \$3,000,000 shall remain available until expended for competitive research grants, as authorized by section 5 of Public Law 95-307] \$129,279,000. (16 U.S.C. 1601-10, 1641-47; Public Law 95-495; Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-1104-0-1-302	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Fire and atmospheric sciences research	8,482	8,945	
00.02	Forest insect and disease research	22,761	23,533	
00.03	Forest inventory and analysis research	17,041	17,664	
00.04	Renewable resources economics research	4,589	4,977	
00.05	Timber management research	24,046	26,548	24,721
00.06	Watershed management and rehabilitation research	15,882	16,692	
00.07	Wildlife, range and fish habitat research	11,813	12,567	
00.08	Forest recreation research	2,534	2,712	
00.09	Forest products and harvesting research	18,970	19,860	18,748
00.10	Forest protection research			33,260
00.11	Resource analysis research			23,470
00.12	Forest environment research			29,080
00.13	Competitive grants		3,000	
00.91	Total direct program	126,118	136,498	129,279
01.01	Reimbursable program	11,329	12,300	11,600
10.00	Total obligations	137,447	148,798	140,879
Financing:				
Offsetting collections from:				
11.00	Federal funds	-10,622	-11,562	-10,905
14.00	Non-Federal sources	-706	-738	-695
21.40	Unobligated balance available, start of year		-988	
24.40	Unobligated balance available, end of year	988		
25.00	Unobligated balance restored	-386		
39.00	Budget authority	126,721	135,510	129,279
Budget authority:				
40.00	Appropriation	131,726	135,510	129,279
41.00	Transferred to other accounts	-5,005		
43.00	Appropriation (adjusted)	126,721	135,510	129,279
Relation of obligations to outlays:				
71.00	Obligations incurred, net	126,118	136,498	129,279
72.40	Obligated balance, start of year	22,198	28,449	35,158
74.40	Obligated balance, end of year	-28,449	-35,158	-41,673
90.00	Outlays	119,867	129,789	122,764

Research is conducted and disseminated through eight regional forest experiment stations and the Forest Products Laboratory and includes both in-house and extramural programs.

Timber management research.—Research is conducted to develop improved silvicultural alternatives and management guidelines to increase the productivity and multiple-use benefits of forest lands, maximize tree growth and quality, and maintain land productivity.

General and special funds—Continued

FOREST RESEARCH—Continued

Forest products and harvesting research.—Research is conducted to provide technology to harvest and utilize timber more efficiently and in ways that are environmentally acceptable, to improve the performance of wood products, and to expand opportunities for wood products exports.

Forest protection research.—Research is conducted to understand the impact of forest fires, atmospheric factors, insects, and diseases on forest and range ecosystems; to improve methods for preventing, predicting, controlling, and reducing the effects of wildfire, insects, and diseases, and for using fire for resource management; and to acquire basic knowledge to monitor and predict atmospheric effects on forests.

Resource analysis research.—Research is conducted to provide inventory information on forest resources; to determine the effects of economic and institutional forces on forest product markets and forest management strategies; and to improve methods of managing outdoor recreation and wilderness.

Forest environment research.—Research is conducted to provide knowledge needed to manage forests and range non-timber resources; including wildlife and fish habitats, watersheds, and forage.

For 1989, forest research will focus on basic research thus allowing the private sector to concentrate on developmental and applied research. Competitive research grants will be terminated.

Object Classification (in thousands of dollars)

Identification code	12-1104-0-1-302	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	58,286	59,026	58,812
11.3	Other than full-time permanent	10,333	10,455	10,426
11.5	Other personnel compensation	306	322	324
11.8	Special personal service payments	2	2	1
11.9	Total personnel compensation	68,927	69,805	69,563
12.1	Civilian personnel benefits	9,375	9,494	9,461
13.0	Benefits for former personnel	123	125	125
21.0	Travel and transportation of persons	4,326	5,290	5,039
22.0	Transportation of things	646	790	753
23.1	Rental payments to GSA	1,659	1,977	2,080
23.2	Rental payments to others	107	131	125
23.3	Communications, utilities, and miscellaneous charges	3,678	4,498	4,285
24.0	Printing and reproduction	597	730	695
25.0	Other services	15,417	18,853	17,960
26.0	Supplies and materials	3,480	4,255	4,053
31.0	Equipment	4,999	6,113	5,823
32.0	Land and structures	157	192	183
41.0	Grants, subsidies, and contributions	12,606	14,220	9,110
42.0	Insurance claims and indemnities	6	7	7
44.0	Refunds	15	18	17
99.0	Subtotal, direct obligations	126,118	136,498	129,279
99.0	Reimbursable obligations	11,329	12,300	11,600
99.9	Total obligations	137,447	148,798	140,879

Personnel Summary

Direct:			
Total number of full-time permanent positions	1,865	1,880	1,847
Total compensable workyears:			
Full-time equivalent employment	2,305	2,297	2,282
Full-time equivalent of overtime and holiday hours	11	11	10
Reimbursable:			
Total number of full-time permanent positions	37	38	36

Total compensable workyears:			
Full-time equivalent employment	91	93	88
Full-time equivalent of overtime and holiday hours	1	1	1

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with, and providing technical [and financial] assistance to States, Territories, possessions, and others; and for forest pest management activities, [\$76,469,000] \$34,781,000, to remain available until expended, as authorized by law: *Provided*, That a grant of \$2,800,000 shall be made to the State of Minnesota for the purposes authorized by section 6 of Public Law 95-495 [*Provided further*, That notwithstanding any other provision of law, a grant of \$6,400,000 shall be provided to the appropriate entity in the city of Kellogg, Idaho for construction of a gondola and shall be matched from other sources]. (16 U.S.C. 2101-2106, 2109-2111; Public Law 95-495; Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-1105-0-1-302	1987 actual	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01	Forest pest management	27,479	51,900	28,111
00.02	Fire protection	15,990	14,017	3,870
00.03	Forest management and utilization	7,659	10,973	.....
00.04	Special projects	6,287	10,875	2,800
00.91	Total direct program	57,415	87,765	34,781
01.01	Reimbursable program	8,557	12,200	5,200
10.00	Total obligations	65,972	99,965	39,981
Financing:				
Offsetting collections from:				
11.00	Federal funds	-8,224	-11,725	-4,998
14.00	Non-Federal sources	-333	-475	-202
17.00	Recovery of prior year obligations	-9	.....	.....
21.40	Unobligated balance available, start of year	-2,295	-11,296	.....
24.40	Unobligated balance available, end of year	11,296	.....	.....
25.00	Unobligated balance lapsing	147	.....	.....
39.00	Budget authority	66,554	76,469	34,781
Budget authority:				
40.00	Appropriation	67,549	76,469	34,781
41.00	Transferred to other accounts	-995	.....	.....
43.00	Appropriation (adjusted)	66,554	76,469	34,781
Relation of obligations to outlays:				
71.00	Obligations incurred, net	57,415	87,765	34,781
72.40	Obligated balance, start of year	20,023	22,069	30,836
74.40	Obligated balance, end of year	-22,069	-30,836	-19,872
78.00	Adjustments in unexpired accounts	-9	.....	.....
90.00	Outlays	55,360	78,998	45,745

Cooperative forestry assistance is provided to all the States, Puerto Rico, Virgin Islands, Guam, the Northern Mariana Islands and the Trust Territory of the Pacific to promote protection and management of forest lands.

Forest pest management.—Protects forest resources and processed wood from insects and diseases directly on National Forests and other Federal lands and in cooperation with States on non-Federal lands.

Fire protection.—Helps State forestry organizations to achieve fire protection efficiency through activities of national interest on non-Federal wildlands.

Forest management and utilization.—Improves management of non-industrial private forest resources; increases wood utilization; increases seedling production and nursery capacity of State tree nurseries; expands

State tree improvement programs; and provides management and planning assistance.

Special projects.—Assistance will be provided to Minnesota for forestry impacts of the Boundary Waters Canoe Area Wilderness.

For 1989, financial assistance to the States will be terminated and limited technical assistance will be provided. State forestry programs have matured sufficiently to justify reduced Federal assistance.

Object Classification (in thousands of dollars)

Identification code	12-1105-0-1-302	1987 actual	1988 est.	1989 est.
FOREST SERVICE				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	11,359	11,961	9,980
11.3	Other than full-time permanent	1,587	1,624	1,391
11.5	Other personnel compensation	392	393	314
11.9	Total personnel compensation	13,338	13,978	11,685
12.1	Civilian personnel benefits	1,803	1,890	1,580
13.0	Benefits for former personnel	114	120	100
21.0	Travel and transportation of persons	2,058	4,703	2,252
22.0	Transportation of things	180	411	197
23.1	Rental payments to GSA	679	809	851
23.2	Rental payments to others	489	1,117	535
23.3	Communications, utilities, and miscellaneous charges	48	110	53
24.0	Printing and reproduction	629	1,437	688
25.0	Other services	7,311	16,707	7,998
26.0	Supplies and materials	1,445	3,302	1,581
31.0	Equipment	452	1,033	495
32.0	Land and structures	152	347	166
41.0	Grants, subsidies, and contributions	27,125	39,188	4,877
42.0	Insurance claims and indemnities	660	1,509	723
99.0	Subtotal, direct obligations	56,483	86,661	33,781
99.0	Reimbursable obligations	8,557	12,200	5,200
ALLOCATION TO THE DEPARTMENT OF THE INTERIOR				
Personnel compensation:				
11.1	Full-time permanent	324	384	352
11.3	Other than full-time permanent	220	260	236
11.5	Other personnel compensation	28	33	32
11.8	Special personal service payments	15	18	17
11.9	Total personnel compensation	587	695	637
12.1	Civilian personnel benefits	56	66	60
13.0	Benefits for former personnel	2	2	2
21.0	Travel and transportation of persons	14	17	15
22.0	Transportation of things	47	56	43
23.3	Communications, utilities, and miscellaneous charges	4	5	4
24.0	Printing and reproduction	3	4	3
25.0	Other services	159	188	171
26.0	Supplies and materials	52	62	56
31.0	Equipment	8	9	9
99.0	Subtotal, obligations, Department of the Interior	932	1,104	1,000
99.9	Total obligations	65,972	99,965	39,981
Obligations are distributed as follows:				
	State and Private Forestry, Agriculture	65,040	98,861	38,981
	National Park Service, Interior	303	356	324
	Bureau of Land Management, Interior	136	142	127
	U.S. Fish and Wildlife Service, Interior	19	23	21
	Bureau of Indian Affairs, Interior	474	583	528

Personnel Summary

Direct:				
	Total number of full-time permanent positions	390	404	342
Total compensable workyears:				
	Full-time equivalent employment	473	488	415
	Full-time equivalent of overtime and holiday hours	16	17	14
Reimbursable:				
	Total number of full-time permanent positions	16	24	10
	Total compensable workyears: Full-time equivalent employment	16	22	9

ALLOCATION ACCOUNTS

Total number to full-time permanent positions	17	21	19
Total compensable workyears:			
Full-time equivalent employment	18	22	20
Full-time equivalent of overtime and holiday hours	1	1	1

OTHER APPROPRIATIONS

[TIMBER SALVAGE SALES]

For design, engineering and supervision of construction of roads, for salvage timber sales, and for sale preparation and supervision of harvesting of such timber, \$37,000,000, to remain available until expended: *Provided*, That the appropriation shall be merged with and made a part of the designated fund authorized by section 14(h) of Public Law 94-588, October 1976; *Provided further*, That moneys received from the timber salvage sales program in fiscal year 1988 shall be considered as money received for the purposes of computing and distributing 25 per centum payments to local governments under 16 U.S.C. 500, as amended.]

TONGASS TIMBER SUPPLY FUND

For necessary expenses for the Tongass National Forest pursuant to section 705(a) of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 539d(a)), as amended, \$40,699,000, to remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-9911-0-1-302	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Acquisition of lands for Winema National Forest, OR	26		
00.02	Forest management, protection and utilization	-325	187	
00.03	Timber salvage		37,000	
00.04	Tongass timber supply fund			40,699
10.00	Total obligations	-299	37,187	40,699
Financing:				
21.40	Unobligated balance available, start of year	-64	-187	
24.40	Unobligated balance available, end of year	187		
25.00	Unobligated balance lapsing	176		
40.00	Budget authority (appropriation)		37,000	40,699
Relation of obligations to outlays:				
71.00	Obligations incurred, net	-299	37,187	40,699
72.40	Obligated balance, start of year	434	-58	2,960
74.40	Obligated balance, end of year	58	-2,960	-14,265
90.00	Outlays	193	34,169	29,394
Distribution of budget authority by account:				
	Timber salvage sales		37,000	
	Tongass timber supply fund			40,699
Distribution of outlays by account:				
	Forest management, protection and utilization	193	129	
	Timber salvage sales		34,040	2,960
	Tongass timber supply fund			26,434

Acquisition of lands for Winema National Forest, OR.—This special account is established for receipt of a donation to the Secretary of Agriculture for acquisition of lands or interests therein within the Winema National Forest.

Timber salvage sales.—Provides for salvage of timber resulting from forest fire impact.

Tongass timber supply fund.—Provides for management of the Tongass National Forest and to maintain the timber supply at a specified level.

General and special funds—Continued

OTHER APPROPRIATIONS—Continued

TONGASS TIMBER SUPPLY FUND—Continued

Object Classification (in thousands of dollars)

Identification code	12-9911-0-1-302	1987 actual	1988 est.	1989 est.
	Personnel compensation:			
11.1	Full-time permanent.....		9,536	10,663
11.3	Other than full-time permanent.....		1,585	1,059
11.5	Other personnel compensation.....		343	362
11.8	Special personal services payments.....		3	1
11.9	Total personnel compensation.....		11,467	12,085
12.1	Civilian personnel benefits.....		1,703	4,422
13.0	Benefits for former personnel.....		35	66
21.0	Travel and transportation of persons.....		1,790	1,988
22.0	Transportation of things.....		1,085	388
23.1	Rental payments to GSA.....		179	1,393
23.2	Rental payments to others.....		727	53
23.3	Communications, utilities, and miscellaneous charges.....		2,465	780
24.0	Printing and reproduction.....		301	284
25.0	Other services.....		11,044	3,170
26.0	Supplies and materials.....		3,078	773
31.0	Equipment.....		3,024	834
32.0	Land and structures.....	-299	219	14,096
41.0	Grants, subsidies, and contributions.....		1	3
42.0	Insurance claims and indemnities.....		65	363
44.0	Refunds.....		4	1
99.9	Total obligations.....	-299	37,187	40,699

Personnel Summary

Total number of permanent positions.....	431	412
Total compensable workyears:		
Full-time equivalent employment.....	505	443
Full-time equivalent of overtime and holiday hours.....	11	12

OPERATION AND MAINTENANCE OF RECREATION FACILITIES

For operation, maintenance, and construction of recreation facilities, not to exceed \$8,700,000, to be derived from the special fee account established pursuant to section 5201 of Public Law 100-203, to remain available until expended.

Program and Financing (in thousands of dollars)

Identification code	12-5072-0-2-303	1987 actual	1988 est.	1989 est.
	Program by activities:			
10.00	Total obligations.....			8,700
	Financing:			
40.00	Budget authority (appropriation) (special fund).....			8,700
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....			8,700
74.40	Obligated balance, end of year.....			-2,166
90.00	Outlays.....			6,534

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Enacted/requested:			
Budget authority.....			8,700
Outlays.....			6,534
Proposed for later transmittal under proposed legislation:			
Budget authority.....			23,100
Outlays.....			17,348
Total:			
Budget authority.....			31,800
Outlays.....			23,882

The Budget Reconciliation Act, Public Law 100-203, established a special receipt account to be made available for resource protection, research, interpretation, and maintenance activities related to resource protection in recreation areas. The funds remaining in this

account, after the States receive their share, are available for appropriation the following fiscal year.

Object Classification (in thousands of dollars)

Identification code	12-5072-0-2-303	1987 actual	1988 est.	1989 est.
	Personnel compensation:			
11.1	Full-time permanent.....			1,728
11.3	Other than full-time permanent.....			326
11.5	Other personnel compensation.....			1
11.9	Total personnel compensation.....			2,055
12.1	Civilian personnel benefits.....			321
21.0	Travel and transportation of persons.....			679
22.0	Transportation of things.....			219
23.2	Rental payments to others.....			158
23.3	Communications, utilities, and miscellaneous charges.....			496
24.0	Printing and reproduction.....			44
25.0	Other services.....			3,370
26.0	Supplies and materials.....			838
31.0	Equipment.....			444
32.0	Land and structures.....			64
42.0	Insurance claims and indemnities.....			12
99.9	Total obligations.....			8,700

Personnel Summary

Total number of full-time permanent positions.....	69
Total compensable work-years: Full-time employment.....	86

OPERATION AND MAINTENANCE OF RECREATION FACILITIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification Code	12-5072-2-2-303	1987 actual	1988 est.	1989 est.
	Program by activities:			
10.00	Total obligations.....			23,100
	Financing:			
40.00	Budget authority (appropriation) (special fund).....			23,100
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....			23,100
74.40	Obligated balance, end of year.....			-5,752
90.00	Outlays.....			17,348

Outdoor recreation occurs throughout National Forest System lands. Legislation will be proposed to make recreation revenues available for program operations. Recreationists who enjoy National Forest System lands will receive direct benefit from the revenues collected.

Object Classification (in thousands of dollars)

Identification code	12-5072-2-2-303	1987 actual	1988 est.	1989 est.
	Personnel compensation:			
11.1	Full-time permanent.....			4,617
11.3	Other than full-time permanent.....			858
11.5	Other personnel compensation.....			4
11.9	Total personnel compensation.....			5,479
12.1	Civilian personnel benefits.....			855
21.0	Travel and transportation of persons.....			1,799
22.0	Transportation of things.....			581
23.2	Rental payments to others.....			425
23.3	Communications, utilities, and miscellaneous charges.....			1,316
24.0	Printing and reproduction.....			118
25.0	Other services.....			8,932
26.0	Supplies and materials.....			2,218
31.0	Equipment.....			1,172
32.0	Land and structures.....			171
42.0	Insurance claims and indemnities.....			3

44.0	Refunds.....	31
99.9	Total obligations.....	23,100

Personnel Summary

Total number of full-time permanent positions.....	186
Total compensable workyears:	
Full-time equivalent employment.....	233
Full-time equivalent of overtime and holiday hours.....	5

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 per centum of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the sixteen Western States, pursuant to section 401(b)(1) of Public Law 94-579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements. (43 U.S.C. 1751, 1901-1908; Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-5207-0-2-302	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations.....	3,737	4,171	3,875
Financing:				
21.40	Unobligated balance available, start of year.....	-496	-566	
24.40	Unobligated balance available, end of year.....	566		
40.00	Budget authority (appropriation) (indefinite).....	3,807	3,605	3,875
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	3,738	4,171	3,875
72.40	Obligated balance, start of year.....	993	1,020	1,546
74.40	Obligated balance, end of year.....	-1,020	-1,546	-1,600
90.00	Outlays.....	3,711	3,645	3,821

Fifty percent of the grazing fees from the National Forests in the 16 western States, once appropriated, are used to protect and improve the productivity of the range, mainly by revegetation, construction, and maintenance of improvements. Capital improvement funding is currently being collected under the authority of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1751), as amended.

Object Classification (in thousands of dollars)

Identification code	12-5207-0-2-302	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent.....	554	572	597
11.3	Other than full-time permanent.....	586	607	637
11.5	Other personnel compensation.....	68	95	103
11.9	Total personnel compensation.....	1,208	1,274	1,337
12.1	Civilian personnel benefits.....	139	147	154
13.0	Benefits for former personnel.....	11	11	11
21.0	Travel and transportation of persons.....	24	28	24
22.0	Transportation of things.....	25	29	25
23.2	Rental payments to others.....	1	1	1
23.3	Communications, utilities, and miscellaneous charges.....	27	31	27
24.0	Printing and reproduction.....	1	1	1
25.0	Other services.....	608	700	606
26.0	Supplies and materials.....	1,436	1,654	1,434
31.0	Equipment.....	69	79	68
32.0	Land and structures.....	187	215	186
42.0	Insurance claims and indemnities.....	1	1	1
99.9	Total obligations.....	3,737	4,171	3,875

Personnel Summary

Total number of full-time permanent positions.....	28	28	29
Total compensable workyears:			
Full-time equivalent employment.....	72	72	75
Full-time equivalent of overtime and holiday hours.....	3	3	3

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, [\$49,076,000] \$3,900,000 to be derived from the Land and Water Conservation Fund, to remain available until expended: *Provided*, That, notwithstanding any other provision of law, the Secretary of Agriculture, as soon as practicable, shall—

(1) acquire the following described lands (containing approximately 2,000 acres) from the owner of such real property:

All that portion of sections 17, 18, 19, and 20 in township 25 north range 11 west Mt. Diablo Meridian Trinity County, California, described as follows:

The west half of the southwest quarter; the west half of the east half of the southwest quarter of section 17.

Lots 9, 10, 11, and 12 and the southeast quarter of section 18.

Lots 5, 6, 7, 8, 17, and 18 and the northeast quarter of section 19.

The west half of the northwest quarter; the west half of the northeast quarter of the northwest quarter; the southeast quarter of the northeast quarter of the northwest quarter; the southeast quarter of the northwest quarter; the southwest quarter of the northeast quarter and the south half of the northwest quarter of the northeast quarter of section 20.

All that portion of sections 13, 14, and 24 in township 25 north range 12 west Mount Diablo Meridian Trinity County, California, described as follows:

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12; the west half of the northeast quarter; the east half of the west half; the northwest quarter of the northwest quarter; and the southwest quarter of the southwest quarter of section 13.

Lots 3, 4, 5, and 6; the west half of the northwest quarter of the northeast quarter; and the east half of the northeast quarter of the northeast quarter; the southeast quarter of the southeast quarter; and the southwest quarter of the northeast quarter; and the northeast quarter of the northwest quarter of section 14.

Lots 1, 2, 7, and 8 of section 24.

Tracts 44, 55, and 76;]

[(2) in consideration of such acquisition, reduce the aggregate outstanding loan balance, with respect to loans made to such owner by the Farmers Home Administration, by an amount equal to the fair market value (as determined by the Secretary) of such real property, plus the reasonable expenses incurred by such owner in executing such transfer of title, plus an amount equal to the reasonably expected liability of such owner for Federal, State, and local taxes incurred on account of such transfer of title, except that such reduction shall not exceed \$1,250,000; and]

[(3) transfer such lands to the Forest Service for such sums as the Secretary determines to be appropriate, which lands shall be added to, and administered as part of, the Yolla-Bolly Middle Eel Wilderness].

[The Secretary of Agriculture is directed to use funds in the holding and composite land acquisition account to purchase the Torre Canyon Ranch, in the Los Padres National Forest, California, at a cost not to exceed fair market value.] (16 U.S.C. 4601, 516-517a, 555a; Public Law 96-586; Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-5004-0-2-303	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Land acquisition.....	51,393	93,729	3,900
00.02	Columbia River Gorge.....	2,217	783	
00.03	Weeks Act.....		22	
10.00	Total obligations.....	53,610	94,534	3,900

General and special funds—Continued

LAND ACQUISITION—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 12-5004-0-2-303	1987 actual	1988 est.	1989 est.
Financing:			
21.40 Unobligated balance available, start of year.....	-46,832	-45,458	
24.40 Unobligated balance available, end of year.....	45,458		
40.00 Budget authority (appropriation).....	52,236	49,076	3,900
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	53,610	94,534	3,900
72.40 Obligated balance, start of year.....	8,810	9,871	50,124
74.40 Obligated balance, end of year.....	-9,871	-50,124	-17,113
90.00 Outlays.....	52,549	54,281	36,911

Recreation lands and interests are acquired within areas of the National Forest System, wilderness, wild-life habitat management areas, endangered species and other areas for public outdoor recreation purposes.

Object Classification (in thousands of dollars)

Identification code 12-5004-0-2-303	1987 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent.....	2,093	1,943	1,953
11.3 Other than full-time permanent.....	127	129	130
11.5 Other personnel compensation.....	16	16	16
11.9 Total personnel compensation.....	2,236	2,088	2,099
12.1 Civilian personnel benefits.....	387	320	322
13.0 Benefits for former personnel.....	5	5	5
21.0 Travel and transportation of persons.....	97	175	101
22.0 Transportation of things.....	18	34	20
23.1 Rental payments to GSA.....	39	46	49
23.2 Rental payments to others.....	49	92	53
23.3 Communications, utilities, and miscellaneous charges.....	68	128	74
24.0 Printing and reproduction.....	1	2	1
25.0 Other services.....	1,073	1,903	1,098
26.0 Supplies and materials.....	45	85	49
31.0 Equipment.....	10	13	8
32.0 Land and structures.....	49,563	89,607	
42.0 Insurance claims and indemnities.....	1	2	1
44.0 Refunds.....	18	34	20
99.9 Total obligations.....	53,610	94,534	3,900

Personnel Summary

Total number full-time permanent positions.....	71	67	67
Total compensable workyears: Full-time equivalent employment.....	74	70	70

ACQUISITION OF LANDS FOR NATIONAL FORESTS

SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, and Cleveland National Forests, California, as authorized by law, \$966,000, to be derived from forest receipts. (49 Stat. 866; 52 Stat. 347; 52 Stat. 1205; 54 Stat. 299; 75 Stat. 699; 79 Stat. 899; Department of the Interior and Related Agencies Appropriations Act, 1988.)

Amounts Available for Appropriation (in thousands of dollars)

	1987 actual	1988 est.	1989 est.
Unappropriated balance, start of year.....	42	-353	-353
Receipts.....	571	966	966
Appropriation.....	-966	-966	-966
Unappropriated balance, end of year.....	-353	-353	-353

Program and Financing (in thousands of dollars)

Identification code 12-5208-0-2-302	1987 actual	1988 est.	1989 est.
Program by activities:			
00.01 Cache National Forest, Utah.....	9	20	20
00.02 Uinta and Wasatch National Forests, Utah.....		30	30
00.03 Toiyabe National Forest, Nevada.....	10	10	10
00.04 San Bernardino and Cleveland National Forests, California.....		486	486
00.05 Angeles National Forest, California.....	263	260	260
00.06 Cleveland National Forest, California.....	295	160	160
10.00 Total obligations.....	577	966	966
Financing:			
25.00 Unobligated balance lapsing.....	389		
40.00 Budget authority (appropriation).....	966	966	966
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	577	966	966
72.40 Obligated balance, start of year.....	7	93	152
74.40 Obligated balance, end of year.....	-93	-152	-152
90.00 Outlays.....	491	907	966

On the basis of various public laws and agreements with certain counties in Utah, Nevada, and California, National Forest receipts, including the portions which would normally be paid to the State to benefit county roads and schools, are used by the Federal Government for purchase of privately owned lands within the National Forests boundaries to aid in the control of soil erosion and flood damage.

Object Classification (in thousands of dollars)

Identification code 12-5208-0-2-302	1987 actual	1988 est.	1989 est.
11.1 Personnel compensation: Full-time permanent.....	26	44	45
12.1 Civilian personnel benefits.....	3	5	5
21.0 Travel and transportation of persons.....	2	3	3
25.0 Other contractual services.....	2	3	3
26.0 Supplies and materials.....	1	2	2
32.0 Land and structures.....	543	909	908
99.9 Total obligations.....	577	966	966

Personnel Summary

Total number of permanent positions.....	1	1	1
Total compensable workyears: Full-time equivalent employment.....	1	1	1

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code 12-5216-0-2-302	1987 actual	1988 est.	1989 est.
Program by activities:			
Acquisition of land:			
00.01 Arizona.....	1	800	
00.02 California.....	951	250	250
00.03 Colorado.....	43	480	192
00.04 Georgia.....	19	21	
00.05 New Mexico.....		63	
00.06 Texas.....	158	175	175
10.00 Total obligations.....	1,172	1,789	617
Financing:			
21.40 Unobligated balance available, start of year.....	-1,550	-1,951	-1,152

24.40	Unobligated balance available, end of year.....	1,951	1,152	870
40.00	Budget authority (appropriation) (indefinite).....	1,573	990	335
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,171	1,789	617
72.40	Obligated balance, start of year.....	369	44	781
74.40	Obligated balance, end of year.....	-44	-781	-990
90.00	Outlays.....	1,496	1,052	408

This is a special account for deposits made by State, county, or municipal governments, public school districts or other public school authorities for cash equalization of certain land exchanges. When appropriated, the funds are used to acquire similar lands suitable for National Forest System purposes in the same State as the National Forest lands conveyed in the land exchange (16 U.S.C. 484a as amended).

Object Classification (in thousands of dollars)

Identification code	12-5216-0-2-302	1987 actual	1988 est.	1989 est.
11.1	Personnel compensation: Full-time permanent.....	1	1	1
21.0	Travel and transportation of persons.....	1	1	1
25.0	Other services.....	3	3	3
26.0	Supplies and materials.....	1	1	1
31.0	Equipment.....	1	1	1
32.0	Land and structures.....	1,165	1,782	610
99.9	Total obligations.....	1,172	1,789	617

Personnel Summary

Total number of permanent positions.....	1	1	1
Total compensable workyears: Full-time equivalent employment.....	1	1	1

OPERATIONS AND MAINTENANCE OF QUARTERS

Program and Financing (in thousands of dollars)

Identification code	12-5219-0-2-302	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations.....	4,884	7,862	5,869
Financing:				
21.40	Unobligated balance available, start of year.....	-1,516	-2,362	.....
24.40	Unobligated balance available, end of year.....	2,362	.....	.....
60.00	Budget authority (appropriation) (permanent, indefinite) (special fund).....	5,730	5,500	5,869
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	4,883	7,862	5,869
72.40	Obligated balance, start of year.....	764	918	3,340
74.40	Obligated balance, end of year.....	-918	-3,340	-3,404
90.00	Outlays.....	4,729	5,440	5,805

Quarterly rental deductions are collected from employees occupying Forest Service facilities. Amounts are deposited into a special fund and are available for the maintenance and operation of employee occupied quarters.

Object Classification (in thousands of dollars)

Identification code	12-5219-0-2-302	1987 actual	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	1,326	1,320	1,379
11.3	Positions other than permanent.....	434	423	443
11.5	Other personnel compensation.....	26	38	38
11.9	Total personnel compensation.....	1,786	1,781	1,860

12.1	Civilian personnel benefits.....	270	269	281
13.0	Benefits for former personnel.....	1	1	1
21.0	Travel and transportation of persons.....	35	72	46
22.0	Transportation of things.....	22	45	29
23.1	Rental payments to GSA.....	38	40	41
23.2	Rental payments to others.....	22	46	29
23.3	Communications, utilities, and miscellaneous charges.....	278	575	367
24.0	Printing and reproduction.....	1	2	1
25.0	Other services.....	987	2,042	1,305
26.0	Supplies and materials.....	1,150	2,380	1,521
31.0	Equipment.....	131	271	173
32.0	Land and structures.....	153	317	202
44.0	Refunds.....	10	21	13
99.9	Total obligations.....	4,884	7,862	5,869

Personnel Summary

Total number of full-time permanent positions.....	56	56	56
Total compensable workyears:			
Full-time equivalent employment.....	77	75	78
Full-time equivalent of overtime and holiday hours.....	1	1	1

FOREST SERVICE PERMANENT APPROPRIATIONS

[TIMBER ROADS, PURCHASER ELECTION, FOREST SERVICE]

[(RESCISSION)]

[Of the funds currently available and unobligated in this account, \$75,000,000 is hereby rescinded.] (Department of the Interior and Related Agencies Appropriations Act, 1988.)

Program and Financing (in thousands of dollars)

Identification code	12-9922-0-2-302	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Expenses, brush disposal.....	42,997	54,438	56,300
00.02	Licensee programs, Forest Service.....	6	543	109
00.03	Restoration of forest lands and improvements.....	211	366	107
00.04	Timber purchaser roads constructed by Forest Service.....	5,491	40,777	9,837
00.05	Timber salvage sales.....	17,372	24,502	27,000
00.06	Tongass timber supply fund.....	45,919	45,379	.....
10.00	Total obligations.....	111,996	166,005	93,353
Financing:				
17.00	Recovery of prior year obligations.....	-3	.....	.....
21.40	Unobligated balance available, start of year.....	-260,240	-259,117	-163,668
24.40	Unobligated balance available, end of year.....	259,117	163,668	162,048
39.00	Budget authority.....	110,870	70,556	91,733
Budget authority:				
Current:				
40.00	Appropriation, rescinded (unobligated balances) (P.L. 101-202).....	-30,000	-75,000	.....
Permanent:				
60.00	Budget authority (appropriation) (permanent, indefinite) (special fund).....	140,870	145,556	91,733
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	111,996	166,005	93,353
72.40	Obligated balance, start of year.....	37,171	28,887	50,594
74.40	Obligated balance, end of year.....	-28,887	-50,594	-32,522
78.00	Adjustments in unexpired accounts.....	-3	.....	.....
90.00	Outlays.....	120,277	144,298	111,425
Distribution of budget authority by account:				
Expenses, brush disposal.....	61,214	54,438	54,680	
Licensee programs, Forest Service.....	87	100	109	
Restoration of forest lands and improvements.....	183	100	107	
Timber purchaser roads constructed by Forest Service.....	15,434	21,037	9,837	
Timber salvage sales.....	18,137	24,502	27,000	
Tongass timber supply fund.....	45,815	45,379	.....
Rescission.....	-31,000	-75,000	.....
Distribution of outlays by account:				
Expenses, brush disposal.....	42,949	55,402	54,513	
Licensee programs, Forest Service.....	222	100	109	
Restoration of forest lands and improvements.....	140	100	107	
Timber purchaser roads constructed by Forest Service.....	6,069	18,956	14,000	

General and special funds—Continued

FOREST SERVICE PERMANENT APPROPRIATIONS—Continued

[TIMBER ROADS, PURCHASER ELECTION, FOREST SERVICE]—
Continued

[(RESCISSION)]—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-9922-0-2-302	1987 actual	1988 est.	1989 est.
Timber salvage sales		17,440	24,002	26,791
Tongass timber supply fund		53,457	45,738	15,905

Expenses, brush disposal.—Funds from payments by purchasers of National Forest timber to dispose of or treat slash and other debris that result from cutting operations (16 U.S.C. 490).

Licensee programs, Forest Service.—Funds from fees for the use of characters by private enterprises are collected under regulations promulgated by the Secretary as follows:

Smokey Bear.—For furthering the nationwide forest fire prevention campaign (16 U.S.C. 580(2)).

Woodsy Owl.—For promoting wise use of the environment and programs which foster maintenance and improvement of environmental quality (16 U.S.C. 580(1)).

Restoration of forest lands and improvements.—Funds from claim settlements involving damage to lands or improvements and from forfeiture of deposits and bonds by permittees and timber purchasers are used for the restoration made necessary by the action which led to the settlement of forfeiture (16 U.S.C. 579c).

Timber purchaser roads constructed by Forest Service.—Funds from timber receipts for Government constructed permanent roads for purchasers of timber who qualify as small businesses and elect to have the Forest Service construct the roads designated under the timber sale contract where costs exceed \$20,000 (16 U.S.C. 472a(i)).

Timber salvage sales.—Funds to begin salvage of insect-infested, dead, damaged, or down timber, and to remove associated trees for stand improvement (16 U.S.C. 472a(h)).

Tongass timber supply fund.—Funds from sales of Alaska timber to maintain the timber supply from the Tongass National Forest at a specified level (16 U.S.C. 539d).

Object Classification (in thousands of dollars)

Identification code	12-9922-0-2-302	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1 Full-time permanent		34,654	33,350	22,646
11.3 Other than full-time permanent		9,874	9,578	8,677
11.5 Other personnel compensation		4,106	3,685	2,495
11.8 Special personal service payments		26	27	27
11.9 Total personnel compensation		48,660	46,640	33,845
12.1 Civilian personnel benefits		9,516	9,121	6,619
13.0 Benefits for former personnel		431	415	282
21.0 Travel and transportation of persons		3,192	6,678	3,200
22.0 Transportation of things		990	2,071	992
23.1 Rental payments to GSA		1,879	2,065	969
23.2 Rental payments to others		567	1,186	568
23.3 Communications, utilities, and miscellaneous charges		2,244	4,695	2,250
24.0 Printing and reproduction		430	900	431
25.0 Other services		16,322	34,148	16,363

26.0 Supplies and materials	3,734	7,812	3,743
31.0 Equipment	3,000	6,276	3,007
32.0 Land and structures	20,444	42,771	20,496
41.0 Grants, subsidies, and contributions	5	10	5
42.0 Insurance claims and indemnities	578	1,209	579
44.0 Refunds	4	8	4
99.9 Total obligations	111,996	166,005	93,353

Personnel Summary

Total number of full-time permanent positions	1,529	1,465	982
Total compensable workyears:			
Full-time equivalent employment	2,130	2,025	1,524
Full-time equivalent of overtime and holiday hours	160	152	114

FOREST SERVICE PERMANENT APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code	12-9921-0-2-806	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01 Payment to Minnesota		568	716	716
00.02 Payment to counties, National Grasslands		7,728	9,641	10,929
00.03 Payments to States, National Forest fund		295,101	309,815	294,788
10.00 Total obligations (object class 41.0)		303,397	320,172	306,433
Financing:				
21.40 Unobligated balance available, start of year		-96,144	-5,790	
24.40 Unobligated balance available, end of year		5,790		
60.00 Budget authority (appropriation) (permanent, indefinite, special funds)		213,043	314,382	306,433
Relation of obligations to outlays:				
71.00 Obligations incurred, net		303,397	320,172	306,433
72.40 Obligated balance, start of year				31,422
74.40 Obligated balance, end of year			-31,422	-30,079
90.00 Outlays		303,397	288,750	307,776
Distribution of budget authority by account:				
Payment to Minnesota		537	716	716
Payments to counties, National Grasslands		8,956	9,641	10,929
Payments to States, National Forest Fund		203,550	304,025	294,788
Distribution of outlays by account:				
Payment to Minnesota		568	716	716
Payments to counties, National Grasslands		7,728	9,127	9,963
Payments to States, National Forest Fund		295,101	278,907	297,097

Payment to Minnesota.—At the close of each fiscal year the State of Minnesota is paid 0.75 percent of the appraised value of certain Superior National Forest lands in the counties of Cook, Lake, and St. Louis for distribution to these counties (16 U.S.C. 577g).

Payments to counties, National Grasslands.—Of the revenues received from the use of National Grasslands, 25 percent is paid to the counties in which such land is situated for funding local schools and roads (7 U.S.C. 1012).

Payments to States, National Forest Fund.—With minor exceptions, 25 percent of the money received from the National Forests, including all the collections under 16 U.S.C. 576b, and all amounts allowed any timber purchaser for construction of roads, is paid to the States for funding local schools and roads of the county in which such forests are situated (16 U.S.C. 500 and 97 Stat. 1123).

Intragovernmental funds:**WORKING CAPITAL FUND****Program and Financing (in thousands of dollars)**

Identification code	12-4605-0-4-302	1987 actual	1988 est.	1989 est.
Program by activities:				
00.01	Operating expenses	65,931	65,065	69,537
00.02	Capital investment	24,283	28,048	30,216
10.00	Total obligations	90,214	93,113	99,753
Financing:				
Offsetting collections from:				
11.00	Federal funds	-82,006	-85,878	-92,311
14.00	Non-Federal sources	-5,442	-5,002	-4,889
21.98	Unobligated balance available, start of year: Fund balance	-71,533	-68,767	-66,534
24.98	Unobligated balance available, end of year: Fund balance	68,767	66,534	63,981
39.00	Budget authority			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	2,766	2,233	2,553
72.98	Obligated balance, start of year: Fund balance	35,593	34,311	36,544
74.98	Obligated balance, end of year: Fund balance	-34,311	-36,544	-39,097
90.00	Outlays	4,048		

The Working Capital Fund is a self-sustaining revolving fund which provides services to National Forests, research experiment stations, and when necessary, to other Federal agencies, and as provided by law, to State and private agencies and persons who cooperate with the Forest Service in fire control and other authorized programs.

The forestry related supply and support services include:

Equipment services which own, operate, maintain, replace, and repair common use motor driven and similar equipment. This equipment is rented to administrative units, that is, National Forests, research experiment stations, and other units, and in some cases to the other agencies, at rates which recover the cost of operation, repair and maintenance, management, and depreciation. The rates also include an increment which provides additional cash which, when added to depreciation earnings and the residual value of equipment, provides sufficient funds to replace the equipment.

Aircraft services which operate, maintain, and repair Forest Service owned aircraft used in fire surveillance and suppression and in other Forest Service programs. The aircraft are rented to National Forests, research experiment stations, and in some cases to other agencies, at rates which recover the cost of depreciation, operation, maintenance, repair, and improvements in the airworthiness of the aircraft. Aircraft replacement costs are financed from either appropriated funds or the Forest Service Working Capital Fund, or a combination of both.

Supply services operate the following common services:

Photo reproduction laboratories which store, reproduce, and supply aerial photographs, aerial maps, and other photographs of National Forest lands. The photographic reproductions are sold to National Forests, experiment stations, and others at cost.

Sign shops which manufacture and supply special signs for the National Forests for use in regulating traffic and as information to the public and other users

of the National Forests. The signs are sold to National Forests and experiment stations at cost.

Subsistence which prepare and serve meals to Forest Service crews working in areas where adequate public restaurant facilities are not available.

Seed supply which provides tree seed for direct seeding or sowing in nurseries for the production of trees. Includes purchase or collection of cones, extraction of seeds, cleaning and testing, and storage and delivery. Operates in conjunction with tree nurseries.

Tree nurseries which operate forest tree nurseries and cold storage facilities for storage of tree seedlings. Tree seedlings are sold to National Forests, State foresters, and other cooperators at cost.

Object Classification (in thousands of dollars)

Identification code	12-4605-0-4-302	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent	16,736	17,545	18,886
11.3	Other than full-time permanent	4,020	4,212	4,537
11.5	Other personnel compensation	623	647	681
11.9	Total personnel compensation	21,379	22,404	24,104
12.1	Civilian personnel benefits	2,969	3,111	3,347
13.0	Benefits for former personnel	274	287	309
21.0	Travel and transportation of persons	583	596	638
22.0	Transportation of things	314	321	343
23.1	Rental payments to GSA	1,236	1,473	1,549
23.2	Rental payments to others	544	557	596
23.3	Communications, utilities, and miscellaneous charges	1,306	1,336	1,429
24.0	Printing and reproduction	9	9	10
25.0	Other services	12,310	12,594	13,475
26.0	Supplies and materials	21,605	22,103	23,651
31.0	Equipment	27,400	28,031	29,991
32.0	Land and structures	276	282	302
41.0	Grants, subsidies and contributions	5	5	5
42.0	Insurance claims and indemnities	4	4	4
99.9	Total obligations	90,214	93,113	99,753

Note.—Personnel totals are included with personnel totals of all other Forest Service programs.

Trust Funds**REFORESTATION TRUST FUND****Program and Financing (in thousands of dollars)**

Identification code	20-8046-0-7-302	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations	33,159	30,000	30,000
Financing:				
21.40	Unobligated balance available, start of year	-5,007	-4,675	-4,675
24.40	Unobligated balance available, end of year	4,675	4,675	4,675
25.00	Unobligated balance restored	-1,631		
60.00	Budget authority (appropriation) (permanent, indefinite)	31,196	30,000	30,000
Relations of obligations to outlays:				
71.00	Obligations incurred, net	33,159	30,000	30,000
90.00	Outlays	33,159	30,000	30,000

Amounts from this account are used for reforestation as authorized by 16 U.S.C. 1606a (d) and (e).

Object Classification (in thousands of dollars)

Identification code	20-8046-0-7-302	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent	5,177	5,503	5,531
11.3	Other than full-time permanent	1,710	1,599	1,607
11.5	Other personnel compensation	399	426	428

REFORESTATION TRUST FUND—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 20-8046-0-7-302	1987 actual	1988 est.	1989 est.
11.8 Special personal services payments.....	1	1	1
11.9 Total personnel compensation.....	7,287	7,529	7,567
12.1 Civilian personnel benefits.....	1,002	1,035	1,040
13.0 Benefits for former personnel.....	194	206	207
21.0 Travel and transportation of persons.....	225	198	198
22.0 Transportation of things.....	85	75	75
23.1 Rental payments to GSA.....	68	81	85
23.2 Rental payments to others.....	122	104	104
23.3 Communications, utilities, and miscellaneous charges.....	303	261	260
24.0 Printing and reproduction.....	31	26	26
25.0 Other services.....	21,171	18,190	18,148
26.0 Supplies and materials.....	2,190	1,882	1,878
31.0 Equipment.....	281	242	241
32.0 Land and structures.....	192	165	165
41.0 Grants, subsidies, and contributions.....	6	5	5
42.0 Insurance claims and indemnities.....	2	1	1
99.9 Total obligations.....	33,159	30,000	30,000

Personnel Summary

Total number of full-time permanent positions.....	231	231	231
Total compensable workyears:			
Full-time equivalent employment.....	340	340	340
Full-time equivalent of overtime and holiday hours.....	15	15	15

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations or allotments from other accounts are included in the schedule of the parent appropriations, as follows:

Agriculture: Agricultural Research Service.
Soil Conservation Service:
Watershed and flood prevention operations.
Resource conservation and development.
Watershed planning.
River basin surveys and investigations.
Agriculture Stabilization Conservation Service: Conservation reserve.
Farmers Home Administration: Rural community fire protection grants.
Treasury: Reforestation trust fund.
Transportation: Federal Highway Administration, Highway trust fund.
Labor: Employment and Training Administration, Training and employment services.

COOPERATIVE WORK TRUST FUND

Program and Financing (in thousands of dollars)

Identification code 12-8028-0-7-302	1987 actual	1988 est.	1989 est.
Program by activities:			
00.01 Cooperative work, KV.....	140,113	286,387	219,665
00.02 Cooperative work, other.....	48,913	89,202	68,438
10.00 Total obligations.....	189,026	375,589	288,103
Financing:			
17.00 Recovery of prior year obligations.....	—516		
21.40 Unobligated balance available, start of year.....	—547,796	—613,305	—488,085
24.40 Unobligated balance available, end of year.....	613,305	488,085	467,730
60.00 Budget authority (appropriation) (permanent, indefinite).....	254,019	250,369	267,748
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	189,027	375,589	288,103
72.40 Obligated balance, start of year.....	—70,516	45,779	169,313
74.40 Obligated balance, end of year.....	—45,779	—169,313	—192,379
78.00 Adjustment in unexpired accounts.....	—516		
90.00 Outlays.....	72,216	252,055	265,037

Advances, including deposits from purchasers of timber, are received and used for specified work in forest investigations protection, and improvement of the National Forest System, including protection, reforestation, and administration of private lands adjacent to

National Forests (7 U.S.C. 2269; 16 U.S.C. 498, 535, 565a, 572, 572a, 576b, 1643; and 31 U.S.C. 1321).

Object Classification (in thousands of dollars)

Identification code 12-8028-0-7-302	1985 actual	1988 est.	1989 est.
Personnel compensation:			
11.1 Full-time permanent.....	50,594	54,426	46,509
11.3 Other than full-time permanent.....	15,578	16,760	14,318
11.5 Other personnel compensation.....	3,563	3,840	3,276
11.8 Special personal services payment.....	11	32	11
11.9 Total personnel compensation.....	69,746	75,058	64,114
12.1 Civilian personnel benefits.....	9,868	10,620	9,072
13.0 Benefits for former personnel.....	860	925	790
21.0 Travel and transportation of persons.....	2,146	5,745	4,249
22.0 Transportation of things.....	1,198	3,207	2,372
23.1 Rental payments to GSA.....	1,100	1,311	1,379
23.2 Rental payments to others.....	1,215	3,253	2,406
23.3 Communications, utilities, and miscellaneous charges.....	4,055	10,856	8,028
24.0 Printing and reproduction.....	179	479	354
25.0 Other services.....	66,625	178,372	131,913
26.0 Supplies and materials.....	19,946	53,400	39,492
31.0 Equipment.....	3,103	8,307	6,143
32.0 Land and structures.....	8,292	22,200	16,418
41.0 Grants, subsidies, and contributions.....	307	822	608
42.0 Insurance claims and indemnities.....	85	228	169
44.0 Refunds.....	301	806	596
99.9 Total obligations.....	189,026	375,589	288,103

Personnel Summary

Total number of full-time permanent positions.....	2,286	2,450	2,588
Total compensable workyears:			
Full-time equivalent employment.....	3,206	3,398	3,627
Full-time equivalent of overtime and holiday hours.....	131	139	148

GIFTS, DONATIONS, AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

For expenses authorized by 16 U.S.C. 1643(b), \$90,000 to remain available until expended, to be derived from the fund established pursuant to the above Act. (*Department of the Interior and Related Agencies Appropriations Act, 1988.*)

Program and Financing (in thousands of dollars)

Identification code 12-8034-0-7-302	1987 actual	1988 est.	1989 est.
Program by activities:			
10.00 Total obligations (object class 25.0).....	101	90	90
Financing:			
Unobligated balance available, start of year:			
21.40 U.S. securities (par).....	—59	—60	—60
21.40 Treasury balance.....	—200	—125	—125
Unobligated balance available, end of year:			
24.40 U.S. securities (par).....	60	60	60
24.40 Treasury balance.....	125	125	125
40.00 Budget authority (appropriation).....	27	90	90
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	101	90	90
72.40 Obligated balance, start of year.....	—1	61	61
74.40 Obligated balance, end of year.....	—61	—61	—61
90.00 Outlays.....	39	90	90

This appropriation makes available to the Forest Service all deposits received from gifts and bequests for research to invest and reinvest in public debt securities for forest and rangeland research.

HIGHWAY CONSTRUCTION: MOUNT ST. HELENS NATIONAL MONUMENT

Program and Financing (in thousands of dollars)

Identification code	12-8029-0-7-401	1987 actual	1988 est.	1989 est.
Program by activities:				
10.00	Total obligations	6,763	3,152	.....
Financing:				
21.40	Unobligated balance available, start of year		-3,152	.....
24.40	Unobligated balance available, end of year	3,152		.....
49.00	Contract authority (appropriations acts)	9,915		.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net	6,763	3,152	.....
72.49	Obligated balance, start of year: Contract authority		119	1,000
74.49	Obligated balance, end of year: Contract authority	-119	-1,000	.....
90.00	Outlays	6,544	2,271	1,000

STATUS OF UNFUNDED CONTRACT AUTHORITY

(In thousands of dollars)

	1987 actual	1988 est.	1989 est.
Contract authority	9,915		
Appropriation to liquidate contract authority	-9,915		

Authority for Mount St. Helens National Monument was made available by the continuing resolution, Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591. The appropriation to liquidate obligations was made available in the Supplemental Appropriations Act, 1987, Public Law 100-71.

Object Classification (in thousands of dollars)

Identification code	12-8029-0-7-401	1987 actual	1988 est.	1989 est.
Personnel compensation:				
11.1	Full-time permanent	100	47	.....
11.3	Other than full-time permanent	31	14	.....
11.5	Other personnel compensation	42	20	.....
11.9	Total personnel compensation	173	81	.....
12.1	Civilian personnel benefits	17	8	.....
21.0	Travel and transportation of persons	12	6	.....
22.0	Transportation of things	4	2	.....
23.3	Communications, utilities, and miscellaneous charges	6	3	.....
25.0	Other services	1,550	722	.....
26.0	Supplies and materials	11	5	.....
31.0	Equipment	27	13	.....
32.0	Land and structures	4,963	2,312	.....
99.9	Total obligations	6,763	3,152	.....

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed [186] 200 passenger motor vehicles of which [nine] ten will be used primarily for law enforcement purposes and of which [179] 190 shall be for replacement only, of which acquisition of [157] 165 passenger motor vehicles shall be from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed two for replacement only, and acquisition of [50] 59 aircraft from excess sources; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (b) services pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 for employment under 5 U.S.C. 3109; (c) uniform allowances for each uniformed employee of the Forest Service, not in excess of \$400 annually; (d) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (e) acquisition of land, waters,

and interests therein, pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); (f) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, 558a note); and (g) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

[None of the funds made available under this Act shall be obligated or expended to change the boundaries of any region, to abolish any region, to move or close any regional office for research, State and private forestry, or National Forest System administration of the Forest Service, Department of Agriculture, without the consent of the House and Senate Committees on Appropriations and the Committee on Agriculture, Nutrition, and Forestry in the United States Senate and the Committee on Agriculture in the United States House of Representatives.]

Any appropriations or funds available to the Forest Service may be [advanced] transferred to the National Forest System appropriation for forest firefighting and the emergency rehabilitation of burned-over lands under its jurisdiction.

[Appropriations and funds available to the Forest Service shall be available to comply with the requirements of section 313(a) of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1323(a)).]

[The appropriation structure for the Forest Service may not be altered without advance approval of the House and Senate Committees on Appropriations.]

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service may be used to reimburse employees for the cost of State licenses and certification fees pursuant to their Forest Service position and that are necessary to comply with State laws, regulations, and requirements.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Office of International Cooperation and Development in connection with forest and rangeland research, technical information, and assistance in foreign countries.

Funds previously appropriated for timber salvage sales may be recovered from receipts deposited for use by the applicable national forest and credited to the Forest Service Permanent Appropriations to be expended for timber salvage sales from any national forest: [Provided, That not less than \$61,502,000 shall be made available to the Forest Service for obligation in fiscal year 1988 from the Timber Salvage Sales Fund appropriation].

[None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 99-714.]

No funds appropriated in the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture without the approval of the Chief of the Forest Service.

[Subject to the enactment of authorizing legislation the boundary of the Cranberry Wilderness located within the Monongahela National Forest, West Virginia, is modified as depicted on a map entitled "Cranberry Wilderness Area Revised" dated October, 1987, on file in the Office of the Chief, Forest Service, United States Department of Agriculture, Washington, DC.]

[Funds available to the Forest Service shall be available to conduct a program of not less than \$1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408.]

[Notwithstanding section 705(a) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 539d(a)), not more than \$50,007,000 of new appropriations shall be available for timber supply, protection and management, research, resource protection and construction on the Tongass National Forest in fiscal year 1988: [Provided, That all of the funds available from the Tongass Timber Supply Fund in fiscal year 1988 pursuant to section 705(a) of Public Law 96-487 shall be deemed obligated as of October 1, 1987 and shall remain available until expended. This funding limitation shall not include those funds available to the Forest Service as Trust Funds, Permanent Funds (other than the Tongass Timber Supply Fund), or Purchaser Road Construction.]

[No funds shall be expended for the purpose of issuing a special use authorization permitting land use and occupancy and surface disturbing activities for any project to be constructed on Lewis Fork

Creek in Madera County, California, at the site above, and adjacent to, Corlieu Falls bordering the Lewis Fork Creek National Recreation Trail until both of the following conditions are met:

(1) A study is completed and submitted to the Congress by the Forest Service in consultation with the California Department of Parks and Recreation regarding the project's impact on the aesthetics of Corlieu Falls, together with a finding that the Lewis Fork Creek project will not substantially impact the flow at Corlieu Falls; and

(2) A study is completed and submitted to the Congress by the Forest Service concerning the project's impact on the Chukchansi Indian Tribe, together with a finding that there will be no substantial adverse impact on the tribe's adjacent sacred hot springs. *(Department of the Interior and Related Agencies Appropriations Act, 1988.)*

TITLE VI—GENERAL PROVISIONS

SEC. 601. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 602. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the fiscal year [1988] 1989 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed [seven hundred and fifty-four (754)] 694 passenger motor vehicles, of which [seven hundred and forty-six (746)] 689 shall be for replacement only, and for the hire of such vehicles.

SEC. 603. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor [e] as authorized by law (5 U.S.C. 5901-5902).

SEC. 604. Not less than \$1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by the Acts of August 14, 1946 and July 28, 1954, and (7 U.S.C. 427, 1621-1629), and by chapter 63 of title 31, United States Code, shall be available for contracting in accordance with said Acts and chapter.

SEC. 605. No part of the funds contained in this Act may be used to make production or other payments to a person, persons, or corporations upon a final finding by court of competent jurisdiction that such party is guilty of growing, cultivating, harvesting, processing or storing marijuana, or other such prohibited drug-producing plants on any part of lands owned or controlled by such persons or corporations.

SEC. 606. Advances of money to chiefs of field parties from any appropriation in this Act for the Department of Agriculture may be made by authority of the Secretary of Agriculture.

SEC. 607. The cumulative total of transfers to the Working Capital Fund for the purpose of accumulating growth capital for data services and National Finance Center operations shall not exceed \$2,000,000: *Provided*, That no funds in this Act appropriated to an agency of the Department shall be transferred to the Working Capital Fund without the approval of the agency administrator.

SEC. 608. New obligational authority provided for the following appropriation items in this Act shall remain available until expended: Public Law 480; [Mutual and Self-Help Housing; Watershed and Flood Prevention Operations;] *Water Resource Management and Protection*; Resource Conservation and Development; [Colorado River Basin Salinity Control Program;] Animal and Plant Health Inspection Service, [\$4,500,000] \$5,000,000 for the contingency fund to meet emergency conditions, and buildings and facilities; Agricultural Stabilization and Conservation Service, salaries and expenses funds made available to county committees; the Federal Crop Insurance Corporation Fund; [Rural Housing for Domestic Farm Labor;] Agricultural Research Service, buildings and facilities; [Scientific Activities Overseas (Foreign Currency Program); Dairy Indemnity Program; \$5,000,000 for the grasshopper and Mormon cricket control program, Animal and Plant Health Inspection Service; \$2,852,000 for higher education training grants under section 1417(a)(3)(B) of Public Law 95-113, as amended (7 U.S.C. 3152(a)(3)(B));] and buildings and facilities, Food and Drug Administration.

SEC. 609. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 610. Not to exceed \$50,000 of the appropriation available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to Public Law 94-449.

SEC. 611. Notwithstanding any other provision of law, employees of the agencies of the Department of Agriculture, including employees of the Agricultural Stabilization and Conservation county committees, may be utilized to provide part-time and intermittent assistance to other agencies of the Department, without reimbursement, during periods when they are not otherwise fully utilized, and ceilings on full-time equivalent staff years established for or by the Department of Agriculture shall exclude overtime as well as staff years expended as a result of carrying out programs associated with natural disasters, such as forest fires, droughts, floods, and other acts of God.

[SEC. 612. Funds provided by this Act for personnel compensation and benefits shall be available for obligation for that purpose only.]

[SEC. 613. No part of any appropriation contained in this Act shall be expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), pursuant to any obligation for services by contract, unless such executive agency has awarded and entered into such contract as provided by law.]

[SEC. 614. None of the funds appropriated or otherwise made available by this Act shall be available to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.]

[SEC. 615. Certificates of beneficial ownership sold by the Farmers Home Administration in connection with the Agricultural Credit Insurance Fund, Rural Housing Insurance Fund, and the Rural Development Insurance Fund shall be not less than 65 per centum of the value of the loans closed during the fiscal year.]

SEC. [616] 612. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 per centum of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

[SEC. 617. None of the funds in this Act shall be used to carry out any activity related to phasing out the Resource Conservation and Development Program.]

SEC. [618] 613. None of the funds in this Act shall be used to prevent or interfere with the right and obligation of the Commodity Credit Corporation to sell surplus agricultural commodities in world trade at competitive prices as authorized by law.

SEC. [619] 614. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with Commodity Credit Corporation and section 32 price support operations may be used, as authorized by law (15 U.S.C. 714c and 7 U.S.C. 612c), to provide commodities to individuals in cases of hardship as determined by the Secretary of Agriculture.

[SEC. 620. During fiscal year 1988, notwithstanding any other provision of law, no funds may be paid out of the Treasury of the United States or out of any fund of a Government corporation to any private individual or corporation in satisfaction of any assurance agreement or payment guarantee or other form of loan guarantee entered into by any agency or corporation of the United States Government with respect to loans made and credits extended to the Polish People's Republic, unless the Polish People's Republic has been declared to be in default of its debt to such individual or corporation or unless the President has provided a monthly written report to the Speaker of the House of Representatives and the President of the Senate explaining the manner in which the national interest of the United States has been served by any payments during the previous month under loan guarantee or credit assurance agreement with respect to loans made or credits extended to the Polish People's Republic in the absence of a declaration of default.]

SEC. [621] 615. None of the funds in this Act shall be available to reimburse the General Services Administration for payment of space rental and related costs in excess of the amounts specified in this Act; nor shall this or any other provision of law require a reduction in the level of rental space or services below that of fiscal year [1987] 1988 or prohibit an expansion of rental space or services with the use of funds otherwise appropriated in this Act.

【SEC. 622. In fiscal year 1988, the Secretary of Agriculture shall initiate construction on not less than twenty new projects under the Watershed Protection and Flood Prevention Act (Public Law 566) and not less than five new projects under the Flood Control Act (Public Law 534).】

SEC. 【623】 616. Funds provided by this Act may be used for translation of publications of the Department of Agriculture into foreign languages when determined by the Secretary to be in the public interest.

【SEC. 624. None of the funds appropriated by this or any other Act may be used to relocate the Hawaii State Office of the Farmers Home Administration from Hilo, Hawaii, to Honolulu, Hawaii.】

SEC. 【625】 617. Provisions of law prohibiting or restricting personal services contracts shall not apply to veterinarians employed by the Department to take animal blood samples, test and vaccinate animals, and perform branding and tagging activities on a fee-for-service basis.

【SEC. 626. None of the funds provided in this Act may be used to reduce programs by establishing an end-of-year employment ceiling on full-time equivalent staff years below the level set herein for the following agencies: Farmers Home Administration, 12,675; Agricultural Stabilization and Conservation Service, 2,550; Rural Electrification Administration, 550; and Soil Conservation Service, 14,177.】

SEC. 【627】 618. Funds provided in this Act may be used for one-year contracts which are to be performed in two fiscal years so long as the total amount for such contracts is obligated in the year for which the funds are appropriated.

SEC. 【628】 619. Funds appropriated by this Act shall be applied only to the objects for which appropriations were made except as otherwise provided by law, as required by 31 U.S.C. 1301.

SEC. 【629】 620. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

【SEC. 630. None of the funds provided in this Act may be expended to release information acquired from any handler under the Agricultural Marketing Agreement Act of 1937, as amended: *Provided*, That this provision shall not prohibit the release of information to other Federal agencies for enforcement purposes: *Provided further*, That this provision shall not prohibit the release of aggregate statistical data used in formulating regulations pursuant to the Agricultural Marketing Agreement Act of 1937, as amended: *Provided further*, That this provision shall not prohibit the release of information submitted by milk handlers.】

【SEC. 631. Unless otherwise provided in this Act, none of the funds appropriated or otherwise made available in this Act may be used by the Farmers Home Administration to employ or otherwise contract with private debt collection agencies to collect delinquent payments from Farmers Home Administration borrowers.】

【SEC. 632. During fiscal year 1988 and each succeeding fiscal year, the Secretary of Agriculture shall permit each district office of the Farmers Home Administration to exempt any existing dwelling from any limitation established by the Secretary on the number of square feet of living area that may be contained in a dwelling to be eligible for a loan under section 502 of the Housing Act of 1949, if the dwelling is modest in design, size, and cost for the area in which it is located.】

【SEC. 633. Hereafter, notwithstanding section 306A (c), (d), and (e) of the Rural Electrification Act of 1936, as amended, a borrower of a loan made by the Federal Financing Bank and guaranteed under section 306 of such Act (7 U.S.C. 936) may, at the option of the borrower, prepay such loan (or any loan advance thereunder) in accordance with section 306A (a) and (b) of such Act: *Provided*, That any

prepayment in excess of \$2,500,000,000 shall be subject to the approval of the Secretary of the Treasury.】

【SEC. 634. None of the funds appropriated in this Act or any other Act shall be used to alter the method of computing normalized prices for agricultural commodities for use by any Federal agency in evaluating water resources development projects to be undertaken in whole or in part with Federal funds that was in effect as of January 1, 1986.】

【SEC. 635. None of the funds in this Act, or otherwise made available by this Act, shall be used to sell loans made by the Agricultural Credit Insurance Fund.】

【SEC. 636. (a) Section 1323(a)(1) of the Food Security Act of 1985 is amended by striking out "For the fiscal year ending September 30, 1987" and inserting in lieu thereof "Prior to September 30, 1988", and

(b) Section 1323(a)(5) of such Act is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1988", and

(c) Section 1323(b)(1) of such Act is amended by striking out "For the fiscal year ending September 30, 1987" and inserting in lieu thereof "Prior to September 30, 1988".】

【SEC. 637. \$10,000,000 of Section 32 funds shall be used to purchase sunflower oil, such purchases to facilitate additional sales of sunflower oil in World Markets at competitive prices, so as to compete with other countries in fiscal years 1988 and 1989.】

【SEC. 638. Section 201(d)(2) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)(2)) is amended—

(1) in subparagraph (A) by striking out "During the period beginning on April 1, 1986, and ending on September 30, 1987," and inserting in lieu thereof "Beginning after March 31, 1986,";

(2) in subparagraph (B) by striking out "subparagraph (E)" and inserting in lieu thereof "subparagraphs (E) and (F)"; and

(3) by adding at the end thereof the following new subparagraph:

“(F)(i) The Secretary—

“(I) notwithstanding the Balanced Budget and Emergency Deficit Control Act of 1985 and any order issued by the President under section 252 of such Act for a fiscal year; and

“(II) in lieu of making any reduction in payments for the purchase of milk or the products of milk under this subsection during such fiscal year under any such order; shall provide for the reduction (measured in cents per hundred-weight of milk marketed) under subparagraph (A) during the period beginning on October 1 and ending on September 30 of such fiscal year as the sole means of achieving any reduction in budget outlays under the milk price-support program that otherwise would be required under either such order and only for the purpose of substituting for any reduction in payments made by the Secretary for the purchase of milk or the products of milk under either such order.

“(ii) The aggregate amount of any reduction under subparagraph (A) resulting from the operation of clause (i) may not exceed the aggregate amount of the reduction in budget outlays under the milk price-support program, as estimated by the Secretary, that otherwise would have been achieved under either such order by reducing payments made by the Secretary for the purchase of milk or the products of milk under this subsection during such fiscal year.”.】

【SEC. 639. Section 1581(b) of the Food Security Act of 1985 (Public Law 99-198) is amended by striking out "June 30, 1987," and inserting in lieu thereof "June 30, 1988."】 (*Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988.*)

TREATMENT OF SUPPLEMENTALS IN FISCAL YEAR 1988

The November 20, 1987 bipartisan budget agreement on deficit reduction between the President and the joint leadership of Congress specifies that for fiscal year 1988 neither the Congress nor the President shall initiate supplemental appropriations except in the case of dire emergency. Consequently, only the language proposals shown below, which would have no effect on fiscal year 1988 resource levels, are included in the budget.

The Administration anticipates transmitting to the Congress during fiscal year 1988 only three types of supplementals: (1) requests necessitated by true emergencies; (2) requests for essential mandatory programs where insufficient funds are available to provide for the program levels mandated by authorizing legislation; and (3) requests for transfers or reprogramming actions where the effect of such proposed action would be deficit neutral.

PROPOSED SUPPLEMENTALS

Department of Education

OFFICE OF POSTSECONDARY EDUCATION

STUDENT FINANCIAL ASSISTANCE

(Supplemental language now requested, existing legislation)

Notwithstanding section 411(g) of the Higher Education Act, as amended, if the funds appropriated for payments under this heading in the Department of Education Appropriations Act, 1988, when added to funds available from prior year appropriations, are insufficient to satisfy fully all grants as calculated under section 411(b), the Secretary shall determine the amount to be paid to each eligible student based on a formula in which all awards for the 1988-89 award year are reduced by a uniform amount established by the Secretary.

In the language under this heading in the Department of Education Appropriations Act, 1988, insert "D," after "parts C".

The appropriation for the Pell grant program for 1988 is insufficient to fund fully the 1988 appropriations act policy of a \$2,200 maximum award. Insufficient funding requires the implementation of the statutorily mandated linear reduction, eliminating awards to some

students and reducing awards to others. The first paragraph of proposed language would permit the Secretary of Education to implement a uniform dollar reduction in the Pell grant program, currently estimated at \$31 per award, instead of linear reduction. The Secretary believes this method of reduction is a more equitable treatment of Pell grant recipients.

The second paragraph of proposed language would correct a technical error in 1988 appropriations language and allow orderly obligation and expenditure of funds made available for the income contingent loan program.

Department of Transportation

MARITIME ADMINISTRATION

FEDERAL SHIP FINANCING FUND

During fiscal year 1988, no new commitments to guarantee loans shall be made.

The proposed language would prohibit new loan guarantee commitments from being made in fiscal year 1988.

EXPLANATION OF OTHER MATERIALS

This section includes the following material:

(a) A list of advance appropriations, as required by the Congressional Budget Act of 1974 (31 U.S.C. 1105(a)(17)), including those resulting from multi-year appropriations requests, a list of appropriations with advance funding provisions, and a list of appropriations with forward funding provisions.

(b) A statement of amendments and revisions, if any,

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to 1988 budget authority requests that were transmitted to the Congress after the 1988 Budget but prior to the transmittal of the 1989 Budget, as required by section 601 of the Congressional Budget Act of 1974.

(c) A statement of the amounts of appropriations requested for Offices of Inspectors General, as required by section 3 of the Federal Managers' Financial Integrity Act of 1982 (Public Law 97-255).

ADVANCE APPROPRIATIONS, ADVANCE FUNDING, AND FORWARD FUNDING FOR 1989

I. An advance appropriation is one made to become available one fiscal year or more beyond the fiscal year for which the appropriation act is passed. Advance appropriations in 1989 appropriations Acts will become available for programs in 1990 or beyond. Since these appropriations are not available until after 1989, the amounts will not be included in 1989 budget totals, but will be reflected in the budget totals for the fiscal year for which they are requested. In certain cases, these amounts represent the second or a subsequent year request for appropriations on a multi-year basis.

The Congressional Budget Act of 1974 (31 U.S.C. 1105(a)(17)) requires inclusion in the budget of "information on estimates of appropriations for the fiscal year following the fiscal year for which the budget is submitted for grants, contracts, and other payments under each program for which there is an authorization of appropriations for that following fiscal year when the appropriations are authorized to be included in an appropriation law for the fiscal year before the fiscal year in which the appropriation is to be available for obligation." In fulfillment of this requirement, the table below lists those accounts authorized to receive, in 1989, advance appropriations for 1990 and beyond and cites the authorizing statute. Also listed in Part A are accounts presented on a multi-year basis that have no specific legal authority. The listing is in two parts: Part A shows the amounts of advance appropriations included in the 1989 budget. Part B is a listing of accounts for which advance appropriations are authorized but not requested in the 1989 budget.

A. Accounts for which advance appropriations are included in the 1989 budget:

Department of Energy: Clean coal technology, \$575,000 thousand for 1990, \$600,000 thousand for 1991, and \$600,000 thousand for 1992.

Department of Health and Human Services, except Social Security:

Program expenses, \$471,930 thousand for 1990.

Health resources and services, \$1,196,857 thousand for 1990.

Health care improvement, \$15,000 thousand for 1990.

Medical facilities guarantee and loan fund, \$21,000 thousand for 1990.

Tribal and Federal health services, \$1,003,007 thousand for 1990.

Disease control, research and training, \$521,503 thousand for 1990.

National Cancer Institute, \$1,496,978 thousand for 1990.

National Heart, Lung and Blood Institute, \$1,035,024 thousand for 1990.

National Institute of Dental Research, \$129,401 thousand for 1990.

National Institute of Diabetes and Digestive and Kidney Diseases, \$572,906 thousand for 1990.

National Institute of Neurological and Communicative Disorders and Stroke, \$568,131 thousand for 1990.

National Institute of Allergy and Infectious Diseases, \$443,123 thousand for 1990.

National Institute of General Medical Sciences, \$689,465 thousand for 1990.

National Institute of Child Health and Human Development, \$405,139 thousand for 1990.

National Eye Institute, \$233,397 thousand for 1990.

National Institute of Environmental Health Services, \$222,768 thousand for 1990.

National Institute on Aging, \$208,702 thousand for 1990.

National Institute of Arthritis and Musculoskeletal and Skin Disease, \$161,311 thousand for 1990.

Research resources, \$326,286 thousand for 1990.

National Center for Nursing Research, \$23,822 thousand for 1990.

John E. Fogarty International Center, \$11,516 thousand for 1990.

National Library of Medicine, \$71,595 thousand for 1990.

Office of the Director, \$53,016 thousand for 1990.

Buildings and facilities, \$5,000 thousand for 1990.

Alcohol, drug abuse, and mental health, \$1,314,652 thousand for 1990.

Federal subsidy for Saint Elizabeths Hospital, \$18,000 thousand for 1990.

Public health service management, \$195,944 thousand for 1990.

Fund for acquired immune deficiency syndrome research and education, \$1,350,000 thousand for 1990.

Retirement pay and medical benefits for commissioned officers, \$110,712 thousand for 1990.

Grants to States for Medicaid (42 U.S.C., sec. 1396) \$35,814,639 thousand for 1990 and \$9,800,000 thousand for 1991.

Program management, \$1,846 thousand for 1990.

Payments to Health Care Trust Funds, \$30,306,000 thousand for 1990.

Payments to Social Security Trust funds, \$85,275 thousand for 1990.

Special benefits for disabled coal miners (30 U.S.C., sec. 921) \$847,755 thousand for 1990 and \$203,000 thousand for 1991.

Supplemental security income program (42 U.S.C., sec. 1381) \$12,300,201 thousand for 1990 and \$3,234,000 thousand for 1991.

Family support administration: Program administration, \$77,041 thousand for 1990.

Family support payments to States (42 U.S.C., secs. 601 and 651) \$10,574,268 thousand for 1990 and \$2,730,000 thousand for 1991.

Community services block grant (42 U.S.C., sec. 9901) \$245,000 thousand for 1990.

Interim assistance to States for Legalization (Public Law 99-603, sec. 204) \$744,000 thousand for 1990, and \$733,000 thousand for 1991.¹

Social services block grant, \$2,700,000 thousand for 1990.

Human Development Services, \$2,505,023 thousand for 1990.

Payments to States for foster care and adoption assistance, \$1,034,501 thousand for 1990.

General departmental management, \$76,500 thousand for 1990.

Policy research, \$5,100 thousand for 1990.

Office of the Inspector General, \$87,100 thousand for 1990.

Office for Civil Rights, \$21,300 thousand for 1990.

Office of Consumer Affairs, \$1,750 thousand for 1990.

Department of Health and Human Services, Social Security Administration: Limitation on administrative expenses, \$3,765,870 thousand for 1990.

National Aeronautics and Space Administration: Research and development (Space Station), \$2,130,200 thousand for 1990, and \$2,912,500 thousand for 1991.

Department of Transportation: Operations (Airport and airway trust fund), \$750 thousand for 1989.

Consumer Product Safety Commission: Salaries and expenses, \$33,005 thousand for 1990.

Corporation for Public Broadcasting: Public broadcasting fund, \$228,000 thousand for 1989 and \$232,648 thousand for 1990.
 Railroad Retirement Board: Federal payments to the railroad retirement accounts, \$3,100 thousand for 1990.

B. Accounts authorized to receive advance appropriations but for which none are requested in the 1989 budget:

Department of Agriculture:

Food program administration (42 U.S.C., sec. 1752).
 Food donations program (Public Law 93-29, sec. 209).
 Child nutrition programs (42 U.S.C., sec. 1752).

Department of Education. The following activities are authorized to receive advance appropriations (20 U.S.C. 1223 and 29 U.S.C. 703):²

Compensatory education for the disadvantaged.
 Impact aid.
 School improvement programs.
 Indian education.
 Bilingual education.
 Immigrant and refugee education.
 Education for the handicapped.
 Special institutions for the handicapped.
 Rehabilitation services and handicapped research.
 Vocational and adult education.
 Student financial assistance.
 Guaranteed student loans.
 Higher education.
 Higher education facilities loans and insurance.
 College housing and academic facilities loans.
 Howard University.
 Education research and statistics.
 Libraries.
 Education and research overseas (special foreign currency program).

¹ Amounts identified for 1989 through 1991 may be adjusted based on reestimating at the time the budget is submitted for each year. However, the annual amount cannot exceed \$1 billion pursuant to Public Law 99-603.

² These statutes erroneously refer to "advance funding". Since these statutes describe and clearly intend to provide advance appropriations, the affected accounts are listed here and not in section I.

II. Advance funding is budget authority that is to be charged to the appropriation in the succeeding year but which authorizes obligations to be incurred in the last quarter of the fiscal year if necessary to meet higher than anticipated benefit payments in excess of the specific amount appropriated for the year. When such budget authority is used, an adjustment is made to increase the budget authority for the fiscal year in which it is used and to reduce the budget authority of the succeeding fiscal year. Essentially, this is a device for avoiding supplemental requests late in the fiscal year for certain entitlement programs, should the appropriations for the current year prove to be too low. The table below lists those accounts for which advance funding authority is requested in the 1989 budget.

Department of Labor:

Special benefits.
 Black lung disability trust fund.

Veterans Administration:

Compensation.
 Pensions.
 Burial benefits and miscellaneous assistance.
 Readjustment benefits.
 Veterans insurance and indemnities.
 Loan guaranty revolving fund.

III. Forward funding is budget authority that is made available for obligation beginning in the last quarter of the fiscal year for the financing of ongoing grant programs of grantees during the next succeeding fiscal year. The budget authority for such programs is included in the budget totals for the year in which it is appropriated. This device is often used for education programs, so that grants can be made prior to the start of the school year. The language providing forward funding for education programs will specify that amounts appropriated will not be available until some time into the year of the appropriation (e.g., July 1, 1989) and in most cases will specify that such amounts will remain available until the end of the succeeding fiscal year. The table below lists those accounts for which forward funding exists or is requested in whole or in part in the 1989 budget.

Department of Education:

Compensatory education for the disadvantaged.
 School improvement programs.
 Education for the handicapped.
 Vocational and adult education.
 Indian education.

In the training and employment area, forward funding is provided in some accounts by providing appropriations for a program year that starts in the fiscal year of the appropriation and extends into the following fiscal year. Program years running from July 1 to June 30 are authorized for training programs under the Job Training Partnership Act, State Employment Service operations under section 6 of the Wagner-Peyser Act, and senior citizen employment programs under Title V of the Older Americans Act. The table below lists those accounts for which such forward funding is requested in the 1989 budget.

Department of Labor:

Training and employment services.
 Community service employment for older Americans.
 State Unemployment Insurance and Employment Service Operations.

STATEMENT OF AMENDMENTS TO AND REVISIONS IN BUDGET AUTHORITY FOR 1988.....	III-5

(Between the Transmittal of the 1988 and 1989 Budgets)

A statement of all amendments to or revisions in budget authority requested between transmittal of the 1988 budget and the 1989 budget is presented below. This statement is being included in the budget in accordance with the Congressional Budget Act of 1974 (31 U.S.C. 1105(d)).

The modifications to requests for 1988 budget authority that were made through the course of the past year took three forms. If the Congress had not yet acted on a pending request, the President sent amendments to the budget requests transmitted in January 1987. If appropriations had been enacted, the President proposed

either supplemental budget authority or rescission of enacted appropriations.

Amendments and requests for supplemental appropriations are printed in the documents of the House of Representatives and the Senate that are identified in part A of the following listing. The President's proposals for rescissions are included in special messages to the Congress under the Impoundment Control Act of 1974 (Public Law 93-344). Both the special messages and monthly cumulative reports on the items they cover are printed in the Federal Register.

PART A. AMENDED AND SUPPLEMENTAL REQUESTS RELATING TO 1988 BUDGET AUTHORITY

Transmitted to Congress on	Agencies affected	Printed as
Mar. 12, 1987.....	International Security Assistance, International Development Assistance, Overseas Private Investment Corporation, Department of Agriculture, Department of Education, Department of Health and Human Services, Department of Housing and Urban Development, Department of the Interior, Department of State, Department of Transportation, Small Business Administration, Veterans Administration, Export-Import Bank of the U.S., Tennessee Valley Authority.	H. Doc. 100-48
Mar. 20, 1987.....	Department of Education, Federal Emergency Management Agency.....	H. Doc. 100-51
Apr. 4, 1987.....	Department of Agriculture, Department of Energy, Environmental Protection Agency.....	H. Doc. 100-59
Apr. 21, 1987.....	Legislative Branch, Department of Defense—Military.....	H. Doc. 100-67
Apr. 29, 1987.....	Legislative Branch, Executive Office of the President, Funds Appropriated to the President, Department of State, General Services Administration, Small Business Administration.	H. Doc. 100-71
June 2, 1987.....	Department of Defense—Military, Department of the Interior, Department of Transportation.....	H. Doc. 100-80
June 26, 1987.....	The Judiciary, Department of Labor.....	H. Doc. 100-86
June 30, 1987.....	Legislative Branch, Department of Health and Human Services, Department of Transportation.....	H. Doc. 100-87
July 9, 1987.....	Legislative Branch, Executive Office of the President.....	H. Doc. 100-91
July 22, 1987.....	Department of State.....	S. Doc. 100-11
July 31, 1987.....	International Security Assistance, Department of Defense—Military, National Aeronautics and Space Administration.	S. Doc. 100-12
Sept. 17, 1987.....	Legislative Branch, Department of Energy, Department of the Interior.....	S. Doc. 100-14
Sept. 18, 1987.....	All agencies.....	S. Doc. 100-15
Sept. 23, 1987.....	Department of Defense—Civil.....	S. Doc. 100-16
Sept. 29, 1987.....	Legislative Branch, Department of the Interior.....	S. Doc. 100-17
Oct. 6, 1987.....	Department of Defense—Civil.....	S. Doc. 100-18
Oct. 14, 1987.....	Department of the Treasury.....	H. Doc. 100-115
Oct. 29, 1987.....	Legislative Branch, Department of Defense—Military, Department of Health and Human Services.....	H. Doc. 100-122
Dec. 11, 1987.....	Executive Office of the President, Department of Health and Human Services.....	H. Doc. 100-46
Dec. 18, 1987.....	Department of Defense—Military, Veterans Administration.....	H. Doc. 100-150

